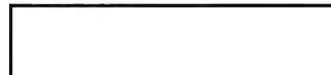


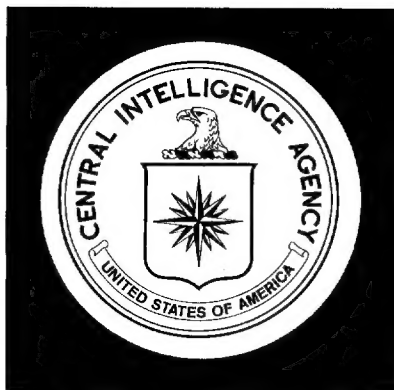
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Research Study

Iraq Under Baath Rule, 1968-1976

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November 1976

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DIRECTORATE OF INTELLIGENCE
OFFICE OF POLITICAL RESEARCH

November 1976

IRAQ UNDER BAATH RULE, 1968-1976

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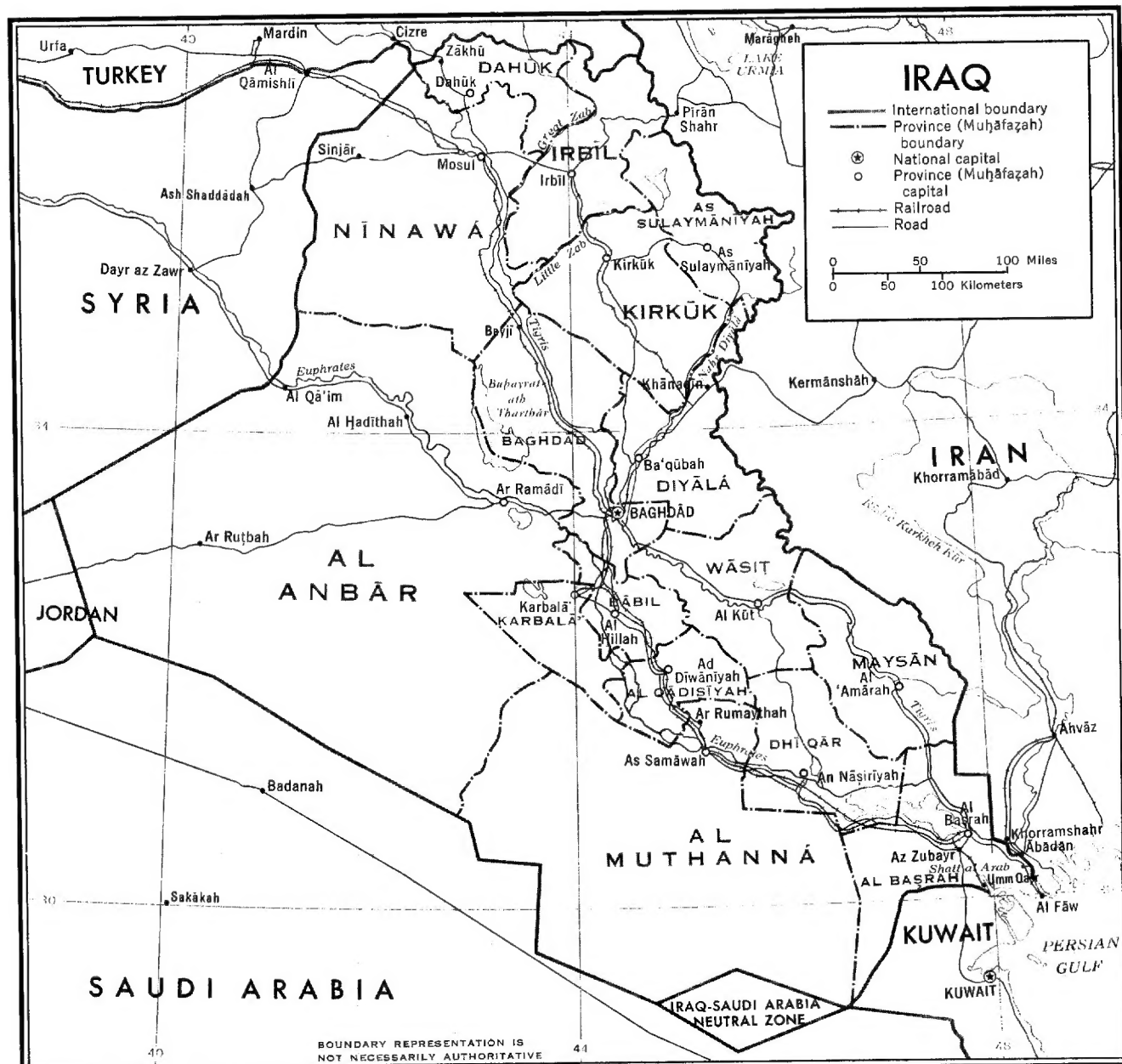
NOTE: In the preparation of this study, the Office of Political Research consulted other offices of the Central Intelligence Agency. Their comments and suggestions were appreciated and used. Research and analysis was completed in September 1976. Comments would be welcomed

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INTRODUCTORY NOTE

In the years since the Baath Party seized power in 1968 the party leadership has consolidated its hold and established a relatively stable regime in a country long noted for its disunity, instability and high level of political violence. The position of the leadership has been enhanced by recent successes—the dramatic hike in petroleum prices in 1973, the defeat of the Kurds and the accord with Iran in 1975. These advantages have enabled the Iraqi Government to initiate new approaches to its domestic and foreign policies not feasible in the early years of its rule.

This paper focuses on these policy approaches and on the forces shaping the operating assumptions of the Baath leadership in its decision-making processes. Because of the absence of any comprehensive Agency assessment of Iraq in recent years, a discussion of the Baathist consolidation of power and the emergence of political, social and economic policies aimed at preserving internal unity and stability is presented along with an analysis of the sources of potential political conflict. The study concludes with an examination of current Iraqi foreign policy goals and their implications for US interests. The deliberate isolation of the regime plus the long break in diplomatic relations between the US and Iraq—relations were severed in 1967 and it is only since 1973 that a small US Interests Section has operated in Baghdad—imposed several limitations on this paper. Issues lacking sufficient and accurate documentation are noted in the text.

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PRINCIPAL JUDGMENTS

Iraq's image in the US in recent years has been that of a potential troublemaker in the Middle East, a traditional foe of states friendly to the US, and a violent, often turbulent country ruled by ideologues. Iraq's relations with the Soviet Union plus its considerable oil resources provide other elements of uneasiness to Western policymakers. The image is not wholly inaccurate, but the reality of Baath-ruled Iraq is changing as the regime settles in. Nonetheless, the complexity of Iraqi foreign policy and domestic politics is formidable and some aspects remain obscure.

A prime example of the complexity and reality is Iraqi-Soviet relations. While conventional wisdom has classified Iraq as a "client" of the Soviets, Iraq prefers, has followed, and will adhere to an independent, nonaligned foreign policy where possible and when advantageous. It is not likely, despite recent turnings to the West for arms and technological assistance, that Iraq will break its ties with the USSR and Eastern Europe. A recent decrease in Soviet aid and leverage will not mean a corresponding increase in American influence. There will be, instead, a continued reliance on the East as well as a probing of Western motives and opportunities. Iraq will continue to receive up-to-date weapons and military training from the Soviets as well as aid in development projects. However, Iraq will advocate Soviet foreign policy goals only where they concur with Iraqi policies and purposes.

Prospects for the renewal of diplomatic relations between Iraq and the US are not good for the near future. Although the Baath government is encouraging trade and commercial ties with American companies, it will not grant diplomatic recognition in order to gain favored-nation status or extended purchasing privileges. Lack of diplomatic recognition is not a barrier to aid and trade *per se*. Relations between the two will depend more on American relations with Iraq's neighbors—Iran, Saudi Arabia, and Syria—than on Iraqi desires for US goods and services.

In Iraq's view, the US exerts great influence on Israeli and Syrian actions. If the US were to alter its position regarding Israeli-Palestinian affairs, perhaps even recognize the PLO, then the Baath might respond and confer diplomatic recognition as a reward. However, major

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American concessions of this type would not guarantee Baath approval. Anti-American and anti-imperialist slogans are important and conditioned reflexes in party debates. The government may find itself restricted by rhetorical limitations.

There is little likelihood of change, then, in US-Iraqi relations, given the current regime's perception of US policies and given American support for its allies in the region—Saudi Arabia, Iran, and Israel. Iraq remains outside the periphery of American interests in the Middle East. The prevailing Iraqi attitude towards the US—cool, slightly suspicious but not overtly hostile—is perhaps the best that can be expected, given the fundamental divergence of interests. So long as Iraq finds it advantageous to bar Soviet military use of its facilities and to cooperate in maintaining orderly relations among the several Gulf States, it contributes, albeit inadvertently, to overall US goals in the Middle East.

Iraq will seek to establish routine and legitimate relations with the states of the Arab world, the Gulf, the Middle East, and Europe. The government will seek respectability and prestige through policies which stress cooperation in Arab economic affairs. This policy is dictated by a desire to end the country's isolation from the Arab world, to achieve secure oil lanes in the Gulf, and to promote a measure of regional stability and balance. Thus Arab solidarity will be advocated in the confrontation with Israel, in cooperation in Gulf security arrangements and in establishing Arab regional economic self-sufficiency. This does not mean that Iraq will adhere consistently to OPEC/OAPEC guidelines on pricing or marketing its oil. Nor will the Baath disavow support for Arab liberation and guerrilla movements.

None of the above applies to relations with Syria. Quarrels over ideology, oil transit fees, Euphrates water distribution, and primacy in the Fertile Crescent have and will continue to divide the two. Attempts to subvert the Baathist regime and Hafiz al-Asad will continue as will support for anti-Syrian groups in Lebanon. However, it is not likely the two states will go to open war.

Although Iraq is ruled by the Arab Baath Socialist Party according to party tenets of "unity, independence and socialism," in reality a more traditional and cautious set of assumptions determines the regime's policies and actions. "Iraq First," a theme which emphasizes the unity and stability of the state, the maintenance of the national self-interest, and the survival of the regime, is as valid for the current rulers, President Ahmad Hasan al-Bakr and Deputy Chairman Saddam Husayn al-Tikriti, as for previous Iraqi governments.

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Unity in Iraq is symbolized by the National Front, a coalition of Baathists, Communists and Kurds, but real control is exercised by the Baath Party (BPI). Government by National Front is a fiction; the Baath leadership has no intention of sharing power or decision-making with any group or faction. There are no apparent challenges to the party or the government at this time. Potential sources of opposition exist in the military, the Communist Party (CPI), and the Kurdish and Shiah minorities.

The Government of Iraq rules with the support of the military but is not as dependent on it to maintain that power as were previous Iraqi governments or as is the Syrian Baath Party. The military is kept acquiescent through purges, enforced retirements, and constant monitoring for ideological correctness. Although there is not unanimity of support for the regime among the upper-ranking military there would seem to be satisfaction with the regime's recent success against the Kurds and with the continued supply of sophisticated Soviet arms and expertise. While solid evidence is lacking, it appears that the military is not Baath dominated but is incapable of sustaining a coup against the regime at present.

The impact of the CPI is negligible. Nominal participation in government has not resulted in a corresponding political leverage. Split internally over their participation in the National Front and co-optation by the BPI, the Communists lack the internal cohesion and external support necessary to any confrontation with the regime. Although the Kurds and Shiahs represent a numerical majority in Iraq they will remain a political minority. The Sunni Arabs, only 25 percent of the population, will continue to dominate the political system, the party machinery, the officer corps and the government bureaucracy. This pattern of domination is a reflection of traditional Iraqi politics as well as of current party loyalties—the politics of recruiting supporters and making political alliances among family, clan and village networks. And, while the number of competent professionals in the government is growing, loyalty to the party and the leadership as well as a lack of political ambition are essential to political survival.

The government is attempting to structure a “united” Iraq through the political, economic and social integration of these potential sources of opposition. The National Front now is the cosmetic political expression of that unity. The government is also using a “carrot and stick” approach—new schools and hospitals, housing, agrarian reforms, extended social benefits, construction of new factories—as well as threats of arrest and resettlement. The emphasis will remain on

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centralization, not regional autonomy, on the union of north and south and not on preferential development. If Kurdish dissidence re-emerges, as it probably will, or if the Shiah oppose innovative reforms, as they have in the past, then the government will opt for resettlement and repression.

The Baath Party, then, appears to be in firm control of the country and Bakr and Saddam Husayn are in firm control of the party. Policies established by them are not likely to be changed by an alteration in government or party. If the President and the Deputy are assured of political power today, it is because of their successful manipulation of the party, the government and the military as well as their ability to isolate and eliminate their opposition. Their position has been enhanced by recent successes—the establishment of civilian control over the party, the government and the military; the end of the Kurdish war; and the treaties and negotiations with the Soviet Union and Iran.

However, Bakr is ill and may be out of touch with day-to-day developments. Saddam, as Deputy Chairman of the Revolutionary Command Council and Deputy Secretary of the BPI Regional Command, is the actual center of power but the facade of joint rule prevails. It is probable that on the event of Bakr's retirement or death, there will be an orderly transfer of power to Saddam Husayn. What is not clear is whether the loyalties Bakr holds in the military and the party are transferable. While the military may accept Saddam as a civilian ruler, they will probably not accept him as President *and* Staff General (he was elevated to this rank in January 1976) *and* Minister of Defense, a post Bakr now holds. Saddam may have to acquire an acceptable senior military figure in order to maintain the appearance of unity and cooperation.

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DISCUSSION

I. THE SETTING

"As a revolution and a regime we are unconditionally biased in favor of the toiling masses, of Socialism, of Arab unity, of the liberation of Palestine and of the Arabism of the Gulf. Therefore, who supports (us) internationally in this stand is our friend and ally and whoever stands against us and opposes our trends and legitimate rights is our foe." Saddam Husayn al-Tikriti.

The political dynamics of Iraq today are an outgrowth of its stormy history as an independent state. One of many countries whose boundaries were determined by great power rivalry and whose government was imposed by colonial arrangement, Iraq has been the scene of power struggles and political violence since the British occupation of World War I. Although Iraq attained independent status in the 1930s, first with the end of the mandate and entrance into the League of Nations, and second with the renegotiation of its oil and military agreements, Great Britain continued to exercise a right to intervene in affairs of state through the 1950s. These arrangements gave Iraq the semblance of independence and the fiction of unity under a Hashimite king and Cabinet. Coups in 1936 and 1941 introduced the military to participation in Iraqi politics, an element which would disrupt the stability of the state for the next 30 years.

The emergence of nationalist movements which were inherently anti-imperialist, anti-British and anti-monarchist had their effect in Iraq. By 1958, the bulk of politically-aware Iraqis supported neither the monarchy, the British connection, nor the government's opposition to Nasir and Arab nationalism. A military revolt of 14 July 1958 led by Abd al-Karim Qasim overthrew the Hashimite monarchy and the government of Nuri al-Said and ended the special status of British in Iraq. It marked as well the beginning of 15 years of political instability and disunity.

Under Qasim Iraq withdrew from the Baghdad Pact, recognized Communist-Bloc countries, and

began to limit relations with the West. Four coups, a dozen changes in Cabinet and a civil war fought against the Kurds from 1961 through 1970 contributed to the political chaos of the period. At the same time there was a withdrawal from participation in the politics of the Arab world. In direct contrast to its first 40 years of statehood, Iraq in the 1960s became increasingly isolated from contacts with both its Arab neighbors and the non-Arab world.

The themes of disunity and instability were evident in Iraq's economic and social development as well. To be an Iraqi in the fourth decade of independence was still to be in the first instance an Arab, Kurd or Turkman, a Sunni, Shiah or Christian. Of the country's 11 million people, 25 percent were Sunni Arab centered in Baghdad and northwest Iraq, 20 percent were Kurds living in the northeast, and 50 percent were Shiah Arabs living south of Baghdad in the middle Euphrates region.* The country remained fragmented among ethnic and religious communities having only a brief history of cooperation and a limited sense of national identity. Ethnic groups continued to live in traditional areas adhering to traditional practices. The government had done little to further industrial development, regional integration or agrarian reform. The political system remained dominated by Sunni Arab politicians through their control of access to positions of power in government and the military. Appointments to decision-making positions in the government from either the Kurdish or Shiah "minorities" were rare, despite the fact that the Shiahs provided 80 percent of the enlisted men in the military and despite the repeated threats of civil violence by the Kurds.

* Iraq's population is divided ethnically into 70.9 percent Arabs, 18.3 percent Kurds, 0.7 percent Assyrians, 2.4 percent Turkmen, and 7.7 percent others. Religiously, Iraq divides between the two major sects of Islam: 50 percent Shiah, 40 percent Sunni; 8 percent of the population are estimated to be Christian, 2 percent other. These are *Factbook* estimates. There has not been a recent census in Iraq and none in the past has given an ethnic and religious breakdown of the population.

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Baathism was a major element in the rise of Arab nationalism in Iraq. The Baath Party, founded in Syria in the 1940s, aimed at the political renaissance of the Arab nation in a unified state based on principles of economic and social justice. For Baathists the Arab revolution was to be fought against two colonialisms: foreign imperialists opposed to Arab unity and independence, and domestic enemies who exploited the nation's goods and resources. While the prospect of Arab unity may have had a limited attraction for Iraqis, the twin themes of independence and socialism had great appeal. In 1952 the Baath Party of Iraq (BPI) was founded as a regional unit of the Baath Party centered in Syria. By 1958 branches of the BPI had been established in most of the cities of Iraq.

The Baathists' first attempt to rule Iraq came in February 1963 with the overthrow of Qasim. It failed for several reasons. The party was badly organized and its leaders inexperienced. Once in power, the Baath had no real program for the transformation of Iraq, no outline for applying Baath ideology or Arab socialism to the reality of the country, and little popular support during its nine months in power. Rivalries and tensions within the party itself, between Baathists and Arab nationalists over union with Syria and Egypt, and between the BPI and the Communist Party in Iraq (CPI) occupied its energies.

The stage was set for counterrevolution—it came in November 1963 when Abd al-Salam Arif, a nationalist officer then in favor of union with Egypt, assumed power. While Arif was in power Iraq's foreign policy emphasized pan-Arab and pro-Egyptian themes; in domestic policy, lip-service was paid to the Islamic origins of social and political reforms. However, the factors which had shaped economic and political realities under Nuri and Qasim continued to shape the realities of Iraq for five years under Abd al-Salam and his brother Abd al-Rahman Arif (he succeeded Abd al-Salam in 1966). Arab unity remained a theory, nationalization a slogan. Iraq in the 1960s was no closer to solving its problems of political instability and disunity than Iraq in the 1950s.

Provincial jealousies in relations with the Syrian Baath Party (BPS) and distrust over Syria's attitude of intellectual trusteeship for Iraqi Baathists continued to divide the Iraqi Baathists from their natural allies in Syria. In 1966 Michel Aflaq, founder of Baathism in Syria and titular head of the party, and several Iraqis

were expelled from the Baath Party National Command, then centered in Damascus. The dispute was factional, not ideological, although all debate since this split has emphasized the purity and correctness of Iraqi Baathism in contrast to the Syrian version. After the 1966 split the Iraqis reorganized the party in Iraq, establishing both a regional and a national (pan-Arab) command and offering shelter to leaders ousted by Syrian intraparty coups.* The BPI and the BPS have maintained mutually hostile and exclusive structures since 1966.

II. THE POLITICAL TRANSFORMATION

There were two coups in the summer of 1968. On 17 July a coalition of Baathists and nationalists in the military led by Ahmad Hasan al-Bakr and Major Abd al-Razzaq al-Naif overthrew the Arif government. A national front government was established with no one faction in apparent control. Bakr, a Baathist who had been Prime Minister in the 1963 Baath government, became President of the Republic and Naif Prime Minister. Of the 26 men appointed to the government only seven were Baathists.

This "cooperation" was short-lived. Two weeks later the Baath seized power directly in a second coup which eliminated Naif and the nationalists. His exile, and the murder of his Foreign Minister Nasir al-Hani, marked the end to a policy of seeking restoration of relations with the East, the West and moderate Arab countries, and deepened Iraq's isolation. The BPI now clearly dominated the government through the Revolutionary Command Council (RCC) whose members were Bakr and four generals, all Baathists: Hardan al-Tikriti, Salih Mahdi Ammash, Sadun Ghaydan al-Ani, and Hammad Shihab. Bakr became Prime Minister as well as President of the Republic and Commander-in-Chief of the Armed Forces; Hardan al-Tikriti and Ammash were appointed Deputy Prime Ministers. Baathists were given control of key ministerial posts, including foreign ministry, interior, education, health, labor and social affairs, culture and information. For the next several years, the BPI would

* In Baath organizational structure, national connotes the pan-Arab world and regional connotes a specific country. The BPI National Command, composed of Iraqi and non-Iraqi Baathists, handles inter-Arab affairs; the Regional Command is the most powerful organ of the party in the country, its members "elected" by a regional congress with candidates usually selected or encouraged by the party leadership.

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move to consolidate its power while maintaining control of a "progressive" Iraq attuned to Baath principles of unity, independence and socialism.

A. The Party in Power, 1968-1973

The important thing is not to assume the power but to keep it Taking over the power is a simple operation that can be executed by a group of adventurers and military coup amateurs at the right time. But interaction with the masses, expressing their interests and aspirations, can only be carried out by ideological revolutionaries The Arab Socialist Baath Party, Iraqi Region, "Wa'i al-Taliah" ("Awareness of the Vanguard"), September 1968.

Although the BPI contained both a military and a civilian faction at the time of the July coups, the military dominated the politics of the party and the state. From 1968 through 1973 the energies and ambitions of these two factions were absorbed in intraparty conflicts and power plays, conflicts which disrupted Iraq's search for stability and development. A series of purges beginning in 1969 altered the position of the military in both the government and the party and projected the civilian faction and a new leader, Saddam Husayn al-Tikriti, to power. First to be accused of plotting against the new regime were those in favor of pan-Arab union; this was followed in January 1969 by a purge of top military commanders. One month later a major spy network allegedly headed by high-ranking military and government officials was uncovered—the government claimed it was being encircled by a conspiracy of the CIA, Zionism, the Shah of Iran, and the Barzani Kurds.

In the next four years Bakr and Saddam Husayn were able to isolate and eliminate their rivals for power and consolidate their control over the party and the government. In November 1969 the power base of the government was shifted considerably with the addition of 10 civilian members of the party's Regional and National Commands to the RCC. The shift, engineered by Saddam Husayn and Salih Mahdi Ammash, then Interior Minister, limited the influence of the military in the politics of the Republic and broadened the base of support for the government among party members. Saddam Husayn, already Deputy Secretary of the BPI Regional Command, was appointed Deputy Chairman of the RCC; he could now assume Bakr's duties and powers in the event of

the President's absence or incapacity—a powerful position for the head of the party's civilian faction. Bakr and Saddam next took advantage of the rivalry between Hardan al-Tikriti and Ammash, both members of the RCC and both Cabinet Ministers holding powerful positions, to remove their two strongest opponents. In April 1970 Hardan and Ammash were sworn in as Vice Presidents of Iraq. Six months later Hardan was dismissed from office and exiled; a year later he was assassinated in Kuwait. Ammash survived politically until 1971 when he was removed from all positions in the government and the party and appointed Ambassador to the Soviet Union.*

Purges in the armed forces, the party and the government continued. They were explained by the leadership as necessary in order to unite the country, to strengthen the party, and to end Iraq's external isolation from the Arab world. In fact, the purges revealed the basic instability of Iraqi politics, the ascendancy of personalities and the lack of any real issues in defining either political actions or actors. The purges were precipitated by various crises, both staged and real: Jordan's war against the Palestinian fedayeen in 1970, the Kurdish war which ended in 1970, support for a national front and willingness to cooperate with Communists and nationalists. At first Bakr, Saddam and Ammash were aligned together against Hardan in a military-civilian clash; then Bakr and Saddam opposed Ammash in an interparty struggle for power. And the positions of the actors on the issues were never consistent—Saddam favored both war and negotiation with the Kurds; Ammash reportedly both favored and opposed Communist participation in the government. The only survivors in these scenarios were the President and his Deputy, Bakr and Saddam Husayn.

Ahmad Hasan al-Bakr was born in Tikrit in 1912. The son of a farmer, he graduated from Baghdad Teachers College in 1932 and taught for several years before entering the Royal Military College in 1938. Bakr, already a Baathist, was a member of the Free Officers Movement and participated in the 14 July 1958 revolution. He was then appointed to the Court

* In a system where transfer to the Foreign Ministry can be tantamount to exile, Ammash was appointed in a series of demotions as Ambassador first to the Soviet Union, then to France and finally, in June 1975, to Helsinki. Ammash has been indiscreetly vociferous in his criticism of the regime and was implicated in what may have been a coup attempt in January 1976.

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Ahmad Hasan al-Bakr, President of Iraq



Lt. Gen. Saddam Husayn al-Tikriti, Deputy Chairman of the RCC

of Martial Law but two months later was arrested by Qasim for plotting against the regime. Despite several "retirements" from 1959 through 1961, Bakr's career in the military advanced, his promotions based on merit rather than political influence. He was involved

in plots against Qasim in the early 1960s and was named Prime Minister following the February 1963 Baath coup. When the Baath were ousted in November Bakr was appointed Vice President under Prime Minister Tahir Yahya al-Tikriti. The position was nominal and abolished the following January. Refusing to accept either a foreign assignment or exile in Beirut, he "retired" from politics. Following the 1966 Baath Party split with Syria, Bakr and Saddam helped reorganize the party in Iraq. Bakr thus had already acquired much experience in both military, government and party affairs before the coups of 1968 which brought the Baath to power in Iraq.

Saddam Husayn's rise to power offers some contrast to that of his "uncle," Ahmad Hasan al-Bakr.* Saddam was born in Tikrit in 1937. He attended secondary school in Baghdad but did not finish his studies at law college. While a law student he took part in the unsuccessful Baath assassination attempt on Qasim in October 1959. Saddam then fled the country, returned for the 1963 Baath coup, and fled again when that government fell in November. He returned in 1964 to participate in a plot to assassinate President Abd al-Salam Arif, was arrested and imprisoned for the next two years. In October 1966 Saddam was elected to the Regional Command of the BPI. Two months later, he was expelled in the same purge as Bakr. Saddam helped plan the coup of 17 July 1968, although the extent of his involvement is unknown. A civilian, it was through his leadership of the BPI military bureau that he began his real rise to power. In 1969, Bakr appointed Saddam Husayn Deputy Chairman of the RCC and Deputy Secretary of the BPI Regional Command. Thus far, Saddam's experiences had been those of the conspirator, the would-be assassin, the underground achiever. Until his appointment as "the Deputy," he had had no real administrative or governmental experience, a fact which helps to explain his political behavior once in power.

The Kazzar Coup of 1973. The years from 1968 through 1973 were a crucial period for the Iraqi Baath. Waves of secret arrests of Communists, left-wing Baathists, Jews and foreigners continued amid revelations of countless plots, again imputed to the CIA, the Zionists, the Shah. In 1970 nearly 100 people were hanged as spies in Liberation Square and a

* The relationship is one of marriage not blood. Bakr's daughter is married to the brother of Saddam's wife.

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reporter for the *Christian Science Monitor* could write in understatement that "Fear was rampant." Yet, at the same time, the government wrote a new constitution, instituted a series of land reforms, negotiated a Kurdish settlement, and attempted to heal a four-year old rift in relations with Baath Party founder Michel Aflaq. Stirrings of a foreign policy could also be detected—Iraq became the first Arab country to recognize East Germany and a delegation was sent to the Soviet Union. Some measure of stability and order was being restored. However, the purges were not yet over. An abortive coup in 1973 set the stage for further readjustment of the party and the government.

In June 1973 President Bakr was in Eastern Europe concluding a series of economic and cultural agreements. On 30 June, the day of his planned return, Nazim Kazzar, the Director General of Public Security, arrested Minister of Defense Shihab and Minister of Interior Ghaydan. When an apparent plan to assassinate Bakr failed, Kazzar took his hostages and fled for the Iranian border. Shihab was killed in the escape; Ghaydan wounded. Kazzar surrendered.

Little is known of the background, motives, or leaders of the coup attempt. That it was a bid for power is clear; whose bid it was remains unclear. It may have been engineered by Saddam Husayn. He had appointed Kazzar, a Shiah, Director of National Security in November 1969 and Kazzar remained a supporter and close friend of the Deputy. The coup, thus, may have been intended as a means of consolidating Saddam's power over the military by eliminating the generals and Bakr himself. Or Saddam may have been the object of plotters who opposed his growing power and his stance on the Kurds, the fedayeen, or the Soviet Union. Leading military officers were known to be dissatisfied with government policies on these issues and to favor taking drastic action against the Kurds and in support of the fedayeen. However, the army remained loyal to the government during the coup and foiled the attempt.

Kazzar had set several conditions for the release of his prisoners: that the Iraqi Army be sent to the Palestinian battleground, that military action against the Kurds be resumed, that rightist leaders be removed from the government and the party, and that the dominant role of the Regional Command of the BPI be given to the National Command. The last two demands were used to implicate Abd al-Khaliq al-Samarrai, party theoretician and rival of Saddam, in

the plot. Kazzar and 35 others were executed; Abd al-Khaliq's death sentence was first commuted to life imprisonment, then to exile in Algeria. The BPI was purged of Samarrai supporters and in August, two months after the coup attempt, Bakr delegated to Saddam Husayn full responsibility for holding party elections that fall. From November 1973 through February 1974, 250 military officers were "retired," i.e., replaced by pro-BPI officers most of whom were supporters of the Deputy.

The coup attempt had other far-reaching political ramifications. With the death of Shihab, only Bakr and Sadun Ghaydan remained of those officers who had made the 1968 revolution. Ghaydan was demoted a year after the coup from Interior to Communications Minister and the military was thus excluded from top policy-making positions in the government. Saddam Husayn and the civilian wing of the BPI Regional Command emerged in full control of both the party and the government. Bakr remained the focus for military support, however, as a possible counter to the growing influence of the civilians and Saddam Husayn. In addition, the President now assumed the post of Defense Minister while the RCC issued a resolution decreeing decisions of the President of the Republic and the Defense Minister to be final. The Cabinet was reorganized a year later, given budgetary and administrative responsibilities, and several members of the Regional Command added to it. By November 1974 the members of the RCC and the Cabinet with few exceptions were Baathists.

B. Government by National Front, 1973-1976

The purges plus the constant reshuffling of military and civilian personnel were meant to stabilize the regime and consolidate support for Bakr and Saddam Husayn. However, the constant rumors of plots and the repressive tactics utilized by the regime had alienated and frightened many political moderates. Party members to the left of the government continued to demand rapid nationalization of industry and drastic economic and social reforms. If the regime were to survive, the internecine strife which had marked its history thus far had to stop. If the government were to receive the foreign military aid and developmental assistance it desired, the appearance of political unity and stability was crucial. In the fall of 1971, sometime before the Kazzar coup, the Baath government adopted a different tactic to

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consolidate support for the regime and stabilize the system. President Bakr announced on 15 November an "historic opportunity for the progressive national patriotic forces of the country—the National Action Charter." The Charter guaranteed "all the democratic freedoms of the people," a national assembly and a permanent constitution to be approved by public referendum. More important, it called for an alliance among the BPI, the CPI and the Democratic Party of Kurdistan (KDP) as the "foundation stone of the national coalition." However, neither the CPI nor the KDP indicated a willingness to subscribe to the National Action Charter or join a national front government. Discussions among the parties dragged on for almost two years.

In July 1973, one month after the Kazzar coup attempt, Bakr and the pro-Moscow Central Committee of the CPI, in a show of national unity, signed an accord which called for the creation of a council of ministers, the establishment of a national assembly, and the formation of a national front. Talks with the Kurds for a similar agreement continued but the KDP refused to join either the negotiations or the front. The intention of the BPI in setting up the National Front was more cosmetic than cooperative. Despite the agreement with the CPI, power and policy emanate neither from the Front, the RCC, the Cabinet of Ministers nor the party *per se*. Rather, power is exercised directly by Ahmad Hasan al-Bakr, President of the Republic, Chairman of the RCC and Secretary of the BPI Regional Command, and Saddam Husayn, Deputy Chairman of the RCC and Deputy Secretary of the Regional Command. They, in turn, are maintained in power through their control of the party, the government bureaucracy, the military and the secret police.

1. The Party and the Government

The relationship between the party and the government is a symbiotic one. The relationship was defined shortly after the 30 July 1968 coup in a party manifesto:

... the Party apparatus must be made to understand the relation between the role of the Party and that of the regime, and distinguish between the former as a vanguard organization and the latter as an executive arm (government). The role of the Party today differs by necessity from the role of the government, not on general

principles and relations with the masses but with regard to the difference between official position and Party position As for the Party, its role is to guide the policy of the regime and make plans for carrying out the policy. "Awareness of the Vanguard."

The party monitors and supervises the government on two levels. First, a monopoly of power is maintained through the appointment of members and sympathizers to key positions in the administration, the military, the police and intelligence agencies. Party members dominate the RCC and hold all important ministerial and diplomatic posts. Party members also staff the various committees of the RCC which "follow-up" government decisions, e.g., the Follow-up Committee for Oil Affairs and the Implementation of Agreements. On the provincial level governors and important administrators are chosen from party ranks and serve to make Baath influence felt throughout the administrative apparatus.

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Secondly, party power is exercised through the various bureaus within the organizational structure of the BPI Regional Command which implement leadership decisions. These include a peasants bureau, a workers bureau, a students bureau, a cultural bureau and a military bureau. The first four direct the activities of "mass" organizations of peasants, workers, and the like; they are used to mobilize the efforts of their members and to indoctrinate them in the party's line.

The role of the military bureau is crucial to the regime. Its members include the Commanders of the Baghdad Garrison and the Republican Guard Brigade, both important factors in the making and unmaking of past Iraqi governments. Control of the Guard and the Garrison is essential to the regime. Also important is the Baath intelligence bureau which is concerned primarily with internal security, foreign political subversion, assassination and information gathering; a component of the Baath intelligence bureau, the *Jihaz al-Hunayn* or "Instrument of Yearning," is responsible for arrests and interrogations. The party bureaus and all government committees are directly responsible to Saddam Husayn. Party discipline is maintained through periodic purges from the government and the party, indoctrination courses for the military, and occasional reorganization of the civil services and

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armed forces with recruitment of new members from party ranks.

In October 1975, in order to implement "the theory of joint struggle . . . for revolutionary change" the Peoples Army was created, replacing the Baath Party National Guard. The Peoples Army could play a greater role in party and state affairs than its predecessor, however. The avowed purpose of the new militia is to protect the party and the government as well as to assist the police and the armed forces "in carrying out their national and pan-Arab duties"—this as distinct from the regular army's mission of protecting the people and the state. The "national" function of the force, estimated to number from 30,000 to 100,000, is as much to protect the Baath leadership from the military (and the CPI) as it is to cooperate with it. The "pan-Arab" aspect, broadly interpreted, could include use of the Peoples Army in Lebanon to assist pro-Iraqi fedayeen and in the Gulf to support Arab Liberation Front activities.

Although the government's intentions regarding use of the Peoples Army are still unclear, the fact that it is organized along paramilitary lines and is being trained by both Baath army officers and [redacted]

[redacted] in weaponry and guerrilla warfare tactics, leaves open the possibility of its use externally as well as domestically. It is conceivable, as well, that the Peoples Army could be used in the event that an intraparty power struggle develops. It is headed by Taha al-Jazrawi, Minister of Housing and Public Works, member of the RCC and a senior official in the BPI Regional Command since the 1960s.

Little is known of the size and composition of the general Baath Party membership. In the 1960s the party was of necessity small and clandestine with its members being primarily young civil servants, teachers and intellectuals. Although the struggles and purges of the last decade have eliminated many of the party's early members, new members seem still to be drawn from similar backgrounds. A 1972 estimate set party membership at 5,000-9,000 active members. We have no way of judging the accuracy of these figures. Membership data for the party and its Commands are not available; even the membership of the RCC is not publicized.

We know more of the BPI Regional Command, composed of Bakr, Saddam Husayn and a dozen

senior party officials chosen in January 1974 at the 8th Baath Party Congress. They are the party in micro-cosm—for the most part young—average age in their 30s to 40s—with little experience outside the party, men who held no positions before the coups of 1968 and whose status within the party depends on factors other than professional competence or merit. Most members of the Regional Command have degrees in law, education or medicine; all hold high government posts and have served in party ranks for many years.

Nor is much known of the Baath recruitment process. The party has traditionally appealed to educated and professional people, particularly university students earning degrees in engineering, law, medicine, government and education. New recruits are still sought in the schools and universities and special assistance is offered to students and young officers joining the party; the party has also established youth cadres in the provinces with the emphasis on "correct" training and party indoctrination. While party membership is a necessary tool for advancement and promotion to any important post, the ramifications of membership in terms of education and general employment opportunities are not clear.

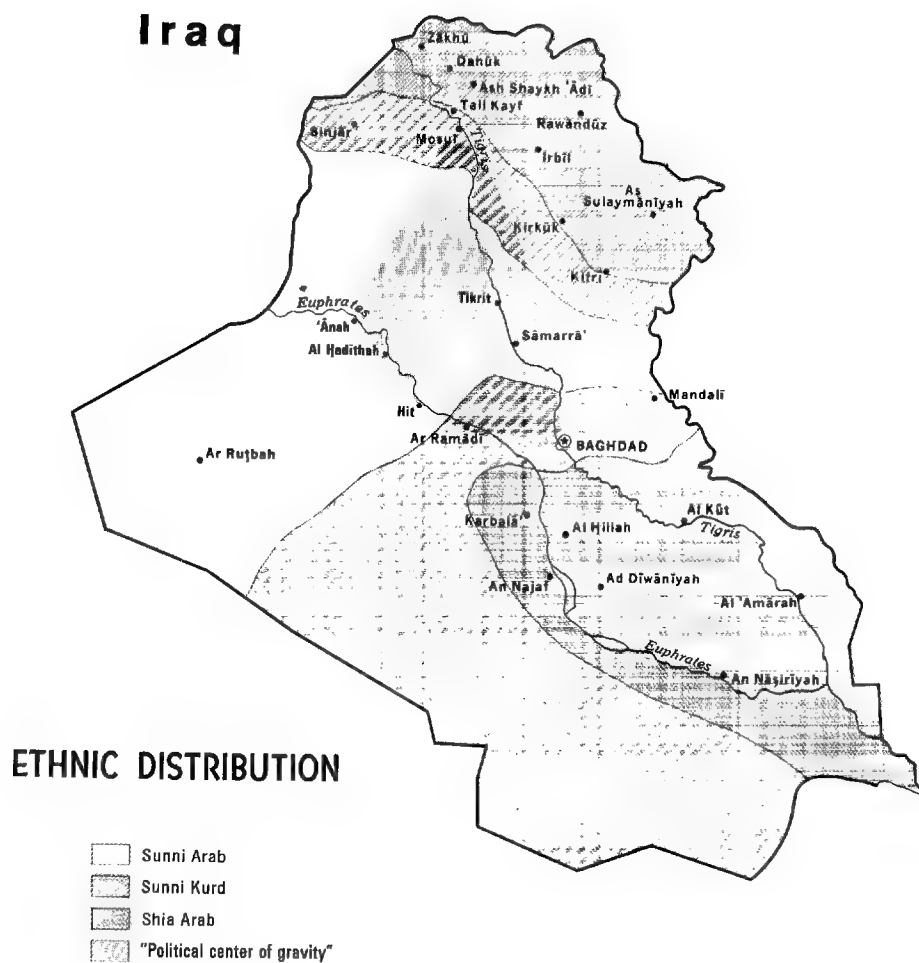
While there have been and are Kurds, Shiahs and even a Christian in the government, the Baath Party in power today represents a continuation of the pattern of Sunni Arab dominance which has characterized Iraqi politics since the mandate period. Recruitment for party membership and leadership roles in the government still is most frequently from the towns of Tikrit and Samarra north of Baghdad on the Tigris River, and from Anah, Hadithah and Hit, northwest of Baghdad on the Euphrates River. The political center of gravity, thus, is a triangle encompassing the Baghdad-Mosul-Anah region and excluding the Kurdish region in the north and the Shiah tribal areas in the south. However, too much emphasis can be placed on the accident of geography. It is the kinship factor, the dependence on family and clan loyalty, and party affiliation which influence political relationships and appointments.

Broadened recruitment procedures, then, do not indicate any democratization of the party. The Baath Party today remains [redacted]

[redacted] an organization which continues to set a premium on isolation and secrecy. The structure remains highly centralized and authoritarian. Uncom-

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promising, determined, often ruthless, its leaders have not hesitated to use violence to suppress any suspicion of opposition.

The National Front in 1976 is a vehicle by which the fiction of unity and participatory government is maintained by the Baath. There is no national assembly. Power is still exercised by the few with the business of government determined by personalities, not by institutions and not by constitutional procedures. Both the RCC and the Cabinet are Baath dominated and reflect the views of the President and the Deputy. While the actual work of the government is conducted through the committee and bureau structures, neither these nor any other group in the National Front has the ability to influence or alter government policy decisions.

2. The Kurds and the National Front

The Kurds have posed a consistent threat to the internal security and stability of several governments of Iraq. The Baath government warned the Kurds in the National Action Charter of 1970 that the "peaceful and democratic solution of the Kurdish national issue" was "tied to the preservation of the existing revolutionary regime." It is not within the scope of this paper to trace the many Kurdish revolts or to analyze the various factions dominating Kurdish tribal life. It is important, however, to consider the Baathist approach to the Kurdish problem and to place the issue in the context of Iraq's relations with Iran and the US.

On 11 March 1970 a 10 year period of revolt ended with the signing of an armistice agreement between the Kurds led by Mullah Mustafa Barzani and the Iraqi Government represented by Saddam Husayn. The agreement recognized the national rights of the Kurdish people and granted regional autonomy. Kurdish was to be an official language in the Kurdish autonomous region and educational institutions, including a university at Sulaymaniyah, were to be established. Kurds would be appointed to posts in the government, the military, the police and the universities in proportion to their number. The KDP was reformed and the Baath government promised to appoint a Kurd vice president of the Republic. Areas having a Kurdish majority were to be administered by the Ministry for Northern Affairs. Barzani retained his heavy arms and a radio station, while the government



Saddam Husayn and Mullah Mustafa Barzani after the 1970 Kurdish Agreement

promised to pay his Pish Mirga troops (12,000-15,000 men) to act as a frontier force.

This agreement marked a high point in Iraqi-Kurdish relations. Barzani had control of more territory than he had ever held, with an officially recognized KDP, a newspaper, a radio station, and the promise of participation in the government of the country. His Pish Mirga force was armed and intact. He had yielded nothing. On 29 March, five Kurds, all supporters of Barzani, were appointed to the Cabinet. Ten days later Barzani denied he had ever intended to establish an independent Kurdistan: "I only defend my people's rights within Iraq," he claimed. "From now on we, as people attached to the policy of the Iraqi Government, will do our best to improve relations established between Iraq and Turkey and other countries."

What soured the idyll? Essentially, two issues emerged: power and oil. Kurdish officials may have been appointed to the Cabinet but no Kurds were appointed to the RCC, and the Baath rejected the KDP nominee for vice president. A census was to be taken to determine the boundaries of the Kurdish autonomous province; where the Kurds were not in a majority, the territory was to revert to the administration of the central government. The census was not

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taken and the Kurds accused the government of "Arabizing" traditional Kurdish areas, e.g., Kirkuk and Sinjar, and of "weakening" the policy of decentralization in the autonomous provinces of Irbil, Dohuk and Sulaymaniyah.

Initially, the Kurds had not sought to administer the oil installation in Kirkuk; they had asked for a proportionate share of the oil revenues and they insisted that Kirkuk city, center of the Iraq Petroleum Company, become the new capital of the Kurdish autonomous province. The city, despite its location in a Kurdish region, had a mixed Arab, Kurd, Assyrian and Turkman population. To influence a planned plebiscite, the government brought back Assyrian families who had fled Kirkuk during the revolt to counterbalance Kurds moving in for voting purposes. The plebiscite was not held and the dispute escalated. Did the right to profit from the mineral and natural resources of the autonomous region belong to the central government or to the Kurds? Did the Kurds have, in effect, control of their province and its resources? The Kurds refused to sign the National Action Charter; they refused to join the National Front or to nominate another vice president. Nor would they agree to a constitution or to a definition of their relations with Iran. They demanded increased budget allocations for development to be controlled by a Kurdish development committee. The government continued to reject Kurdish demands for Kirkuk. Then the BPI attempted to assassinate Barzani and his son Idris. A stalemate ensued until February 1974 when fighting broke out.

On 11 March 1974, four years after the initial agreement had been signed and the date by which it was to have been implemented, the RCC announced the granting of self-rule to the region in which the majority of residents were Kurds. Irbil would be the capital city of the autonomous province which would have a legislature, an executive council and a special budget with revenues derived from property taxes. The KDP rejected this unilateral declaration of autonomy and more clashes were reported by mid-March. The Kurds of Kurdistan, announced the KDP, would become part of a voluntary federation with the Arabs of Iraq and Mullah Mustafa Barzani, by virtue of his position as chairman of the Kurdish Executive Council, would become Vice President of the Republic. This the Baath rejected and major fighting ensued.

Thus the issues emerged as the Kurdization of the North versus the Arabization of Kurdistan, depending on one's perspective. In April the government replaced the Barzani Kurds in the Cabinet with Kurds loyal to the administration,* and it was announced that the Kurdish movement would soon join the BPI and the CPI in the National Front. The following autumn, in the midst of war with the Kurds, the government established an executive council and a legislative assembly for the autonomous region.

Why war again? The timing may have been a result of the Baath refusal to carry out the census while insisting on the four-year time table for implementation of the 1970 agreement. Or, it may have been a direct result of worsening relations with Iran and encouragement given Barzani by the Shah. In a speech made that April Saddam Husayn noted somewhat cryptically that:

Those who sell themselves to foreigners will never become our allies as long as we live and as long as this revolution exists. To people who imagine that with US help they can obstruct the march of the revolution, and with US help they can divide this people, we tell them without hesitation, with high confidence and without delusion, with accurate calculations, and with a clear vision of the present and future aims—we tell them: You will only meet failure.

Barzani sought aid from many sources—American as well as Iranian. With Soviet support and military assistance now flowing to the Baath government and with the CPI fighting on the side of the government, Barzani told the *Christian Science Monitor* that his group stood in the way of Soviet influence in Iraq. Mullah Mustafa now envisioned a Kurdish state within a state which would represent all Kurds, those physically present in the autonomous region as well as those living outside the region, in Baghdad, Basra or even outside Iraq. He disavowed, however, any ambitions to expand his demands to include the sizeable Kurdish populations in Turkey and Iran. Barzani received assistance from Saudi Arabia, Iran,

* The "house" Kurds appointed on 7 April 1974 were Aziz Rashid Aqrawi, Minister of State; Hashim Hasan Aqrawi, Minister of Municipalities; Ubaydallah Mustafa Barzani, son of Mullah Mustafa Barzani, Minister of State; Abd al-Sattar Tahir Sharif, Minister of Public Works and Housing; and Abdullah Ismail Ahmad, Minister of State. All support the government's self-rule law.

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Israel and the US.* The issue, however, is not whether the promise of foreign assistance permitted the Kurds to revolt in 1974. The revolt most probably would have occurred at some point, given the nature of Kurdish demands and the reluctance of any Iraqi Government, be it Baathist or not, to accede to those demands.

The revolt created several internal dilemmas for the Baath leadership. Differences on the conduct of the war, the planning of offensives, and a negotiated peace threatened to divide both government and party in Iraq. The military had opposed the 1970 Kurdish agreement as a "profound humiliation," feeling that the Kurds had been militarily defeated. They disapproved Saddam's conducting negotiations in 1970 with the Kurds and his 1974 stand opposing negotiations and favoring war.** There may have been disagreement between Bakr and the Deputy, too, over the wisdom of continuing the military campaign. Conditions in 1974, however, clearly differed from those influencing the 1970 decision to negotiate with Barzani. The Baath was in firmer control of both the political and military scene than it had been previously. The Iraqi army of 1974 was larger, better equipped, and better trained than the 1970 force which had fought the Kurds. Soviet military and technical assistance was available in a steady flow without the caveats of 1970 (then the Soviets had stipulated that war materiel supplied by them was not to be used against the Kurds). Important, too, was the decision made by Saddam Husayn to commit both the country's resources and his personal prestige to seek a military solution to the latest Kurdish revolt. The recurring Kurdish conflict had the potential to

disrupt the Baath regime just as it had disrupted previous governments. The stability of the regime as well as the prestige of the Deputy were at stake in resolving the Kurdish revolt.

The death knell for the latest Kurdish revolt was sounded not by the Baathists but by Iran. Iran had long encouraged Kurdish rebellions in Iraq; in fact the Shah's moral support and military assistance enabled Barzani to conduct extensive warfare against several Iraqi governments. The Shah's support for the Kurds until the last war was gratuitous at best—a means to contain a pro-Soviet Arab socialist state. Helping the Kurds had become an expensive risk for the Shah by late 1974, however. Iranian planes and troops were increasingly involved in border incidents with Iraqi troops and were close to fighting directly with Iraqi forces. More important, though, it is doubtful that the Shah really wanted a Kurdish victory—Iraq's Kurds, if granted provincial autonomy or if successful in winning independent status, would represent a far greater threat to the unity and security of Iran than would an Iraqi Government victory.

For reasons strategic and political, then, Iraq and Iran chose to resolve their differences and seek a more pacific solution to the escalating conflict. The solution was framed in the Algiers Accord of March 1975 which called for demarcation of territorial and maritime borders and "the establishment of mutual

* "Kurds say CIA betrayed them," *The Washington Post*, 13 November 1975. Such support has been hinted at by Barzani's son Ubaydallah; he revealed that his father had received "funds, weapons and equipment, experts and all kinds of assistance from the Zionist enemy, America and Iran." FBIS, 31 July 1974; interview in *al-Watan* (Kuwait), published in FBIS, 18 October 1974. *Al-Thawrah* noted that Nixon had "furnished secretly weapons" to Barzani and had "ordered the CIA to execute the mission without any explanation." The emphasis here was on Nixon's role, not on the involvement of the US Government. 25X1 [redacted] 4 November 1975, and *The Washington Post*, 1 November 1975, pages 1-2.

** Military discontent on the leadership's conduct of the war led to purges of the military in September 1974. Following a defeat of the army by the Kurds, the Commander of the Baghdad Garrison, the Commander of the Air Force and several high-ranking officers were demoted.



Saddam Husayn (R) shaking hands with the Shah of Iran (L) on the signing of the March 1975 Algiers Accord. (Algerian President Boumedienne in Center.)

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security and confidence along their joint borders to put a final end to all subversive infiltration from either side." In the agreements following the Algiers Accord, Iraq made several concessions, both territorial and political, to Iran. Iraq had long encouraged Arab and Baluchi resistance to the Shah and had laid claim to the province of Khuzistan in Iran as part of the Arab homeland. The Baath government now conceded all claims to Khuzistan, and agreed to a boundary along the center of the Shatt al-Arab. It also acceded to other territorial border arrangements long sought by Iran. Iran, in turn, stopped aiding the Kurds. Iraq gained much in return for its concessions. Instead of making yet another agreement with the Kurds to end yet another war, the government signed an accord with Iran which both stopped the fighting and ended the threat of foreign intervention.

In the wake of the Algiers Accord, the Kurdish front collapsed and between 90,000 and 250,000 refugees fled to Iran.* By the end of 1975 the majority of Iraqi Kurdish refugees in Iran had taken advantage of the amnesty offered to return to Iraq. The policy of the Baath government toward the question of Kurdish autonomy has taken a predictable tack. References to Kurdistan or to the Kurdish region have been dropped in favor of references to the "autonomous" or "northern" province. Many returning Kurds are being resettled in small groups in agricultural farms in southern Iraq while the government is encouraging the "Arabization" of the north, i.e., it encourages Arab settlement in the north and intermarriage of Arab and Kurd.** The government is also extending its control in the region through the establishment of state-owned agricultural cooperatives, land redistribution, the funding of development projects, and the construction of new cities. New schools, new industries, new hospitals, extended social benefits—the

* Estimates on the number of refugees vary from 90,000 (*The Economist*, 18 October 1975) to 140,000 (DIA Weekly Intelligence Summary, 26 September 1975, p. 22, [redacted] to 250,000 [redacted]).

** Bakr Mahmud Pishdari, chairman of the legislative council for the autonomous region, estimated that 50,000 refugees who had returned from Iran were being kept in the south working on agricultural projects, (*London Times*, 28 November 1975.) Non-refugee Kurds have been moved from border areas to the south as well but there are no estimates as to their numbers.

north, then, is to be transformed and unified with the south. Centralization, not autonomy, will be the key to any future northern policy with the emphasis on the unity of Iraq, not the national rights of the Kurds.

Prospects for a large-scale renewal of hostilities between the Kurds and the Iraqi Government are unlikely at present. Kurdish acquiescence to Baath appeals for unity and cooperation will depend very much on the extent of the resettlement program in the south, the scope of Arabization in the north and the benefits to be realized from development programs in the autonomous region. While the Algiers Accord removed Iran as a major source of assistance and encouragement, the Kurds could now become pawns in the Syrian-Iraqi rivalry. Syria has offered shelter, training and supplies to Jalal Talabani, rival of Mullah Mustafa, and his Kurdish revolutionary movement in their guerrilla operations against Iraq. This support would escalate if the level of animosities between the two Baath states were to escalate. Similarly, any increase in Iraqi influence which might create a shift in the balance of power as perceived in Tehran could renew the Shah's interest in the Kurds of Iraq.

3. The CPI and the National Front

Relations between the CPI and BPI prior to the establishment of the National Front in 1973 were tenuous at best. A semblance of cooperation had been maintained for several years before the 1958 revolution, but Qasim's policy of balancing off domestic forces had seen the CPI encouraged at the expense of other factions. The CPI was henceforth perceived as "the enemy" by the Baathists and a contest for power between the two factions began. It rapidly developed into a blood feud, during which the Communists sought and found opportunities to eliminate Baathists. Wholesale killings in Mosul in 1959 laid the foundations of a pervasive hatred by Iraqi Baathists of Iraqi Communists.

The time for revenge came in 1963. The brief period of Baath rule was marked by rigid anti-Communist policies and a brutal suppression of the CPI, with many party members killed, arrested or

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exiled. The Communists managed to survive, however, and to reorganize despite internal splits. A 1972 estimate put party membership at 2,000; by 1974 membership was estimated at 4,000, not enough to pose a threat to the Baath government.* Traditionally, the CPI has been stronger in the Kurdish and Shiah areas of the country; unlike the BPI, the CPI has always been more successful in attracting peasant and worker adherents although it no longer has the support from the trade unions that it had decades ago.

After the 1968 revolution, as a gesture of reconciliation to the pro-Moscow Central Committee of the CPI,** Iraqi citizenship was restored to Communists in exile. This raised once again the issue of cooperation with the BPI, an issue which still threatens to divide the CPI today. Initially, Aziz Muhammad, First Secretary of the Central Committee, opposed cooperation with the BPI while Amir Abdullah, also an influential member of the Central Committee, favored joining the BPI in a progressive nationalist

front so long as it opposed imperialism.* A third faction within the Central Committee opposed any and all cooperation with the BPI, fearing the ultimate intention of the Baath regime was the destruction of the CPI.

Where Aziz Muhammad feared Baath dominance of and control over the CPI, Amir Abdullah believed a policy of cooperation would inevitably make the Baath government dependent on the Communists. Amir Abdullah's position was upheld by Soviet policy at this time. As part of a growing rapprochement with Iraq and the Arab world, Soviet officials began in 1972 to pressure the CPI to sign the National Action Charter and join the National Front. Then, in June 1972, during a visit by Kosygin to Baghdad, the USSR and Iraq signed a 15 year Treaty of Friendship and Cooperation. Aziz Muhammad, convinced the Soviets would not support a divergent CPI policy, revised his position and in July 1973 signed the pact that established the National Front in Iraq. The CPI seemed to have won a major victory—it was now a legal party with the opportunity to rebuild its organization as well as the hope of influencing government policy.

Soviet insistence on CPI participation in the government influenced the Baath as well as the Communists. From the Baath point of view, however, domestic needs were a paramount consideration. The Baath hoped to solve problems of domestic disunity, i.e., a possible renewal of Kurdish hostilities, and economic development, i.e., assistance in developing the oil industry. In 1971-1973 a political alliance with the CPI seemed necessary, given Soviet and CPI support for the Kurdish movement and Iraqi dependence on Soviet military aid and technological assistance. Yet the Soviets could not eliminate the distrust of Iraqi Communists for the BPI and could not enhance the position of the CPI in the government. Although Amir Abdullah's views prevailed and the CPI joined the Front, Aziz Muhammad's suspicions have proved to be correct. The Baath is not interested in sharing power with either the Communists or the Kurds and cooperation between the CPI and the BPI remains limited at best.

* Aziz Muhammad, a Kurd, was elected first secretary in 1964 and again in 1970. Amir Abdullah, also a Kurd, was born in 1926 and served as secretary-general of the CPI in the early 1950s; he conducted the 1972 negotiations between Saddam Husayn and the KDP over Kurdish participation in the National Front.

** To the best of our knowledge, there is no pro-Chinese Communist Party or faction in Iraq; Iraq has had relations with the PRC since 1971 but trade and cooperation have been limited. The PRC consider the Baath to be "bourgeois/fascist" and Bakr and Saddam Husayn to be "Soviet lackeys." There is some indication

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Although the USSR and the CPI dropped their support for the Kurdish movement and although the latter fought in the north in 1974 against Barzani, the Baath rejected Aziz Muhammad's suggestion that a joint military command be formed and rejected the Communist recommendations that CPI units be integrated with regular Iraqi army units. Communist units fighting in the north on the side of the government were allegedly kept short of arms and equipment. The CPI was not allowed to establish branches in captured Kurdish areas and, following the March 1975 Accord with Iran, Iraqi military commanders were ordered to prohibit heavy concentrations of CPI forces and to keep CPI units out of populated areas in the north. Of the 60 members appointed to the Committee for Northern Affairs in 1974, only five were CPI members.

Other dissatisfactions arose: despite the appointment of several Communists to the Cabinet and the promise of cooperation on affairs of state, there has been virtually no policy consultation between the Baath government and the CPI. (Of its known leaders—Aziz Muhammad, Amir Abdullah, Aziz Sharif and Mukarram al-Talabani—only two now serve in the Cabinet: Amir Abdullah as Minister of State and Mukarram al-Talabani as Minister of Irrigation.) A proposal by the CPI in fall 1974 to establish a joint higher committee on economic problems was rejected by the Baath. Nor did the CPI approve of the initiatives made by the Baath government to "right wing" Arab governments, i.e., Saudi Arabia and Jordan, begun in 1974. Such relations, it was claimed, risked Iraq's relations with the Soviet Union.

Although the fiction of government by National Front is being maintained, the policy of cooperation did not survive the end of the Kurdish war. By spring 1975 CPI members in ranking civil service positions and in universities were being replaced by BPI members and the party is closely watched for signs of opposition. The CPI is no real threat to the Baath government and can easily be held in check by it and by the Peoples Army. Although the CPI recently held its Third National Congress, there is little information available on the party's sources of support or organizational structure. Fearing a recurrence of repression, the CPI will maintain a clandestine organization even while it functions as a legitimate member of the National Front.

C. The Question of Succession: Who Will Follow Bakr?

There has not yet been a complete transfer of power in Iraq from the makers of the July 1968 revolution to a new political constellation. What has occurred thus far have been piece-meal replacements and rearrangements in both the government and the party. Ahmad Hasan al-Bakr, President of the Republic, Prime Minister, Field Marshal and Supreme Commander of the Armed Forces, Minister of Defense, Chairman of the Revolutionary Command Council and Secretary General of the BPI Regional Command, provides continuity but he has been ill for several years.

Since 1971 Saddam Husayn has exercised an increasing amount of control over decision-making in both the government and the party, albeit under the aegis of Bakr. He has been careful not to upstage the President nor does he appear publicly to challenge Bakr's authority. Bakr seems voluntarily to have relinquished much of the routine exercise of power although he participates in ceremonial functions and is probably still a force in major political decisions. Although the reasons for this retreat are not clear, health is most probably the determining factor.

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Speculation has been high on Bakr's relations with his nephew and Deputy and on the actual sources, distribution and exercise of power in Iraq. Bakr and Saddam differ in both the sources of their support and in certain of their approaches to policy. Where the President's strength is with the senior military officers, Arab nationalists and nonparty members, the Deputy's support has come from the junior military ranks and party rank-and-file members. Saddam derives his power from his control of the party apparatus, the security and intelligence bureaus, and the government bureaucracy. He is not popular with the military hierarchy but through periodic purges of the government and the Regional Command he has elevated his own supporters to important positions.

Bakr and Saddam have had their differences, e.g., their possible disagreement on the Kurdish war in

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1974 has already been noted. They have disagreed, as well, on personnel appointments and on the degree of support to be extended to other Arab countries and for the Palestinian fedayeen. These differences, however, are more than offset by the basic agreement between the President and the Deputy on Iraq's goals and priorities. While they advocate the Baath slogans of "unity, independence and socialism," these terms must be understood within the Iraqi context. Independence of action and ideology is crucial in the ongoing conflict with Syria yet unity is a favorite theme in the confrontation with Israel. However, it is solidarity within the vaguely defined Arab cause and unity in regional development which the Iraqis are stressing, not union in a political sense. Both Bakr and Saddam are pursuing a policy of "Iraq First"—a policy which places the unity of the country, the stability of the regime, and economic independence above other considerations. It is not a new theme in Iraqi history or politics. Its origins lie with Nuri al-Said and with Qasim. What is different are the means employed to attain those ends, and the different approach the Baath government has taken to ensure that independence. Where Nuri and Qasim talked of Arab solidarity, and stressed friendly relations with Turkey and Iran and neutrality in East/West conflicts, the Baath at first turned inward, away from alliances and contacts with other states; they were deeply suspicious of Arab neighbors in particular. However, Bakr and Saddam Husayn have redefined Iraq's foreign relations and together have charted a new course for Iraq domestically and internationally. Given their control of the internal political structure, they have been willing to attempt new modes of political behavior, i.e., a temporary cooperation with the CPI, alliances with Arab and non-Arab regimes previously shunned. The defeat of the Kurds, the successful treaty with Iran, the nationalization of the country's major resource, oil, even the National Front—these successes have strengthened the regime in general and the Deputy in particular.

Barring coup or assassination, then, Saddam Husayn will be the successor to Bakr. The Deputy at 40 is essentially an opportunist, not an ideologue. He has a reputation for courage, ruthlessness and shrewdness. He pays lip-service to an ideology of Arabism but realizes that, given the substantial non-Sunni Arab population, Iraqi nationalism and Arab unity are not necessarily one and the same thing. Again, Saddam's first concern is Iraq, not Arabism, not Palestine, not

even Baathism *per se*. In his world-view Iraq is independent, socialist, nonaligned and anti-imperialist. The Deputy is ambitious, both nationally and personally. He would see Iraq become one of the Arab world's largest oil producers and he would see himself leader of that development. He would have Iraq, too, resume its place as a maker of Arab policy, a participant in the shaping of Arab and Gulf affairs.

The question is not whether Saddam will be able to retain the power he currently holds; rather, the question becomes will he be able to maintain it without the facade of Bakr's "guidance." Until recently, it appeared that the Deputy would not seek power overtly in the event of Bakr's death or retirement but in order to insure acceptance and a peaceful transition would probably rule jointly with a figure representing the military. However, in January 1976 Saddam was given the military rank of general by Bakr. This appointment may have been intended as a prelude to making Saddam Minister of Defense; the Deputy at present holds no Cabinet or government position other than as Deputy Chairman of the RCC. It may have been intended as a means of guaranteeing his ultimate and solo accession to power. But Bakr has not relinquished the Defense Ministry and Saddam is no more palatable to the military as a general than he is as the Deputy.

The Baath Party, then, appears to be firmly in control of the country and Bakr and Saddam Husayn are in control of the party. Policies established by them are not likely to be drastically affected by an alteration within the Baath government. Despite recent turnings to the West for arms and technology, close ties will be maintained with the Soviet Union and Eastern Europe. Iraq will no longer deal exclusively, however, with the East; large oil revenues now permit the government to shop East and West, to encourage commercial contacts and contracts with Japan, France, Italy, and the US as well as Poland, Czechoslovakia and the Soviet Union. In addition, Iraq has reopened diplomatic and trade negotiations with its Middle Eastern neighbors, with Turkey, Iran, Saudi Arabia, Jordan and Kuwait. These trends are likely to continue and will be pursued by the Baath and by Saddam as long as they provide results. The one area of major alteration of present policy is that of relations with Syria; a coup against the BPI or one from within the party could bring to power men disposed toward radically revising the current state of

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tension. (These themes are traced in subsequent sections.)

In addition to Bakr and Saddam Husayn, there are two groups having the potential to exercise power and influence the succession of Saddam Husayn—an inner circle of RCC members and a second-level group of Baath bureaucrats who hold multiple positions in the government and the party. The first includes ministers and RCC members Izzat Mustafa, Izzat al-Duri and Sadun Ghaydan al-Ani. Dr. Izzat Mustafa served as Minister of Health from July 1968 until his appointment as Minister of Labor and Social Affairs in May 1976; he has been on the RCC since November 1969 and is a member of the BPI Regional Command. A Baathist since the 1950s, Mustafa has been a staunch supporter of Bakr but has the respect apparently of the Deputy as well. Izzat al-Duri, Minister of the Interior, chairman of the military bureau of the BPI Regional Command and a member of the RCC since 1969, is one of the strongest figures in government. Duri is a leader of the civilian wing of the party and has been critical of leadership decisions in the past. His recent promotion from Minister of Agrarian Reform to Minister of Interior—he is the first civilian to be appointed to that post—reflects his status in the party as well as the support of both Bakr and Saddam. Sadun Ghaydan al-Ani, currently Minister of Communications and a member of the RCC, was commander of the Baghdad Garrison and one of the senior military officers taking part in the July 1968 coups. He is the only member of the RCC who is not also a member of the Regional Command. Ani may not be a member of the party; he does have considerable support from the military although he no longer holds military rank.

Mustafa, Duri and Ani owe their positions to influential sources of support and are probably too powerful for Saddam Husayn or anyone else to challenge at present. However, the position of the Deputy has been strengthened in recent years by the emergence of a new class of party bureaucrats. Young Baathists with some education and experience in government and with proven loyalty to the party have risen to new and sudden prominence, frequently holding positions in the Cabinet, the RCC and the Regional Command simultaneously. This multiplicity of positions, however, suggests more power and independence of action than they actually possess. The career thus far of Taha al-Jazrawi, Minister of

Housing and Public Works, reflects this new class well. Jazrawi, a Kurd, was active in Baath underground activities in the 1960s and has been a member of the Regional Command since 1966. In November 1969 he was appointed to the RCC. He has held several posts in the Cabinet since then—Minister of Industry, Acting Minister of Planning, chief of the party's military bureau. In October 1975 he was named Commander of the Peoples Army (described above). This promotion, made at the same time he held important party and government posts, was soon followed by a demotion of sorts, a shift from Minister of Industry to his current post. Although Jazrawi is considered to be a strong supporter of Saddam Husayn, his recent "demotion" plus his party offices indicate he is a strong rival for power in the party and the government.

There are others like Jazrawi in the government.* They are active in Baath Party affairs, are members of the Regional Command, and some may be members of the RCC as well. These individuals, through their positions, their party affiliations, their alliances with the leadership, function as executive supports for the regime. However, the extent of their influence, the degree of their independence of action, can only be estimated. That they have survived purges and coups indicates some base of support and strength. Their ability to effect administration decisions would seem to be limited at best. Real decision-making still appears to be controlled by Bakr and Saddam Husayn, with the Deputy in firm control of both the party and the government.

This apparent absence of rivals to the Baath Party in Iraq and to Saddam Husayn demonstrates the leadership's ability to isolate and eliminate dissident persons and factions. The only potential source of organized opposition remaining outside the government and the party is the military. The army has

* Other representatives of this "new class" include Muhammad Mahjub, Minister of Education and member of the BPI Regional Command; Ahmad Abd al-Sattar al-Juwari, Minister of State for Presidential Affairs and Minister of Religious Affairs; Sadun Hammadi, Minister of Foreign Affairs; Anwar Abd al-Qadir al-Hadithi, Minister of Municipalities; Hikmat al-Azzawi, Minister of Foreign Trade, Acting Minister of Internal Trade (briefly) and member of the BPI Regional Command; Tayih Abd al-Karim, Oil Minister and member of the BPI Regional Command; and Ghanim Abd al-Jalil, Minister of Higher Education and Scientific Research and member of the BPI Regional Command. In addition, Mahjub, Juwari, Hammadi, and Hadithi have been reported to be members of the RCC.

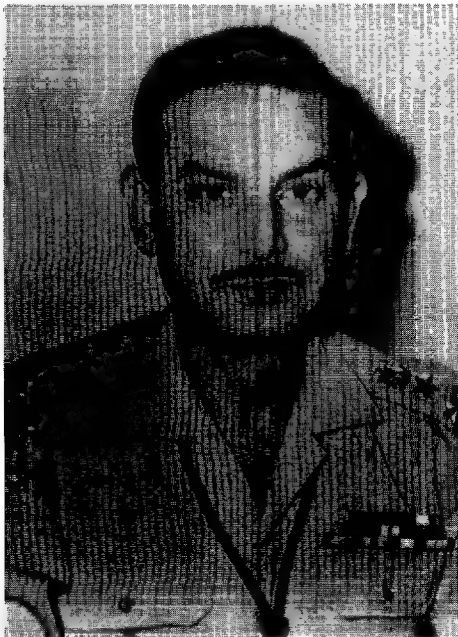
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Izzat Mustafa, Minister of Labor and Social Affairs



Izzat Ibrahim al-Duri, Minister of Interior



Sadun Ghaydan al-Ani, Minister of Communications



Taha al-Jazrawi, Minister of Housing and Public Works and Head of the Peoples Army

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played a major role in Iraqi politics since 1936. At the time of the 1968 coups, the military was at the height of its political influence and prestige; all five members of the ruling RCC were military men. Beginning in 1969, however, the role of the military in the politics of the Republic was severely curtailed with the introduction of civilian Baathists to the RCC and the government and by the ascendance of Saddam Husayn.

There are several explanations for this shift. Politics in the military is closely controlled. A decree of the RCC in 1971 banned all non-Baath political activity and organizations within the Iraqi armed forces. That same year a large number of party members were added to military units and to the police and security apparatus. The party has since tried to extend its influence in and control over the military in other ways. Recently, to reduce opposition and increase party membership in the armed forces, the BPI offered a 50 percent salary increase to all Iraqi military personnel and a substantial allowance to students if they joined the party. However, the success of these recruitment drives and the extent of politicization in the military is not known. We have no information on the impact of political indoctrination or monetary inducements on military personnel.

Moreover, frequent purges of the military have resulted in the transfer, arrest or exile of many high-ranking officers. Those purged have included pan-Arab nationalists and disaffected Baathists as well as nonparty members or suspected CPI sympathizers; CPI members in the army have been executed. Yet, despite its distrust of the regime and dislike of Saddam Husayn and the party's militia and military bureau, the military supported the government during the 1973 coup attempt and fought, taking heavy losses, in the recent Kurdish war. The major areas of contention between the military and the government remain the influence of the party on military advancement and decision-making and dissatisfaction with Soviet arms and training. Especially resented are the party's attempts to dominate military units and their commanders, the "supervision" of upper-ranking officers by lower-ranking party members, the emphasis on political indoctrination and the enforced early retirements. Resentment has been voiced, as well, about the dependence on Soviet arms and advisers. The fact that Soviet military assistance is contingent on political as well as military necessity has not eased this tension between government and military.

Today, unlike Baathist Syria, the military in Iraq is no longer able to control events or influence the leadership in policy decisions. Baath Party members who are in the military and the new Peoples Army may serve as effective restraints on the military's traditional independence of action. Surveillance, infiltration and purges may allow the government to feel it has sufficient control over the armed forces. But, the regime cannot be sure of the absolute loyalty of the generals and colonels. We cannot determine the extent of military dissatisfaction with the regime. That such dissatisfaction is minimal at present we can only assume, given the successful conclusion of the Kurdish war, the continued flow of arms and materiel from the USSR and Eastern Europe, and the elimination of several dissident commanders and officers. There were indications of military unrest in January and through the spring of 1976 but, again, no hard information is available on military attitudes toward the regime.

Our best assessment, then, is that the Baath are securely in political control of Iraq and that Saddam Husayn will retain his position in the event of Bakr's death or retirement. Neither the Communists, the Kurds, Arab nationalists or the military appear able at present to mount an effective challenge or alter the present political balance. Will the loyalties of the military and the allegiances of the BPI's military faction be transferred from Field Marshal Bakr to Staff General Saddam Husayn? Probably, although reluctantly; information is too scarce to warrant a more certain estimate.

III. THE ECONOMIC AND SOCIAL TRANSFORMATION

Iraq is a rich country—rich in its mineral and natural resources, its fertile soil, its people. Yet, when the Baath came to power in 1968 Iraq's economic development lagged behind that of neighboring states. Oil revenues had been declining, there were critical manpower shortages, little capital was being reinvested to the industrial development of the country, the annual growth rate averaged 3-4 percent, per capita income was \$295 and the illiteracy rate was 80 percent. The trend toward urbanization was increasing; between 1965 and 1972 the urban population rose 45 percent. By the latter year 60 percent of the people were concentrated in urban centers.

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If achieving the unity and stability of Iraq has been the ultimate political goal of the Baath Party, economic independence and self-sufficiency have had no less a priority. Political instability and the lack of internal social cohesion in the early years of the Baath regime delayed decision-making in areas critical to economic development. The establishment of political control by the civilian BPI, the settlement with Iran, and the oil crisis of 1973-1974 with its attendant rise in prices have given the Baath government the opportunity and the resources to implement more ambitious economic and social goals; they have also given Bakr and Saddam Husayn successes on the economic front which have bolstered their political prestige and provided an added measure of growth and stability. The primary objectives of their new economic and social policies are rapid growth, full employment, equal educational opportunities and an equitable distribution of income. To realize these objectives, the government has instituted economic planning, nationalization of industry, diversification in industrial development and agrarian reform.

A. On the Economic Front

1. The Five Year Plans

The five year plans reflect party philosophy as well as government priorities. Couched in Baathist codewords of economic and social justice, they stress the economic and social integration of the country as well as nationwide and regional (pan-Arab) planning aimed at establishing self-sufficiency in certain areas, e.g., banking, agriculture, shipping. As in politics, then, so too in economics; "unity, independence and socialism" are the Baath themes for the transformation of the country.

The two plans produced by the Iraqi Baath government—there was a previous plan in the early 1960s—have centered on increasing the standard of living by increasing the rate of economic growth and by securing economic stability; and on reducing the dependence on oil revenues by controlling production and diversifying industry. Their first five year plan (1970-1975) focused on stimulating agricultural and industrial exports while reducing imports. Meant to minimize the reliance on oil royalties, the reverse happened with the rapid rise in oil revenues in 1973

and government dependence on oil revenues increased during this period.* (See Table 1.)

The scope and investment projected for the second five year plan, to run from 1976 through 1980, are far more ambitious. In 1975 with oil revenues treble the previous year's, the government indicated that it would invest 10 billion dinars (\$34 billion) in the development of the country. This would be triple the amount invested during the 1970-1975 period. In the new plan highest priority will be given to those industries where the production cycle from raw to finished goods can be completed within the country—oil, petro-chemicals, chemicals, food and agricultural produce. The plan also advocates the development of projects in coordination with other Arab countries and in cooperation with joint Arab companies. To implement this cooperation Iraq has entered into several cooperative banking, shipping and trading ventures with its Arab and Gulf neighbors.

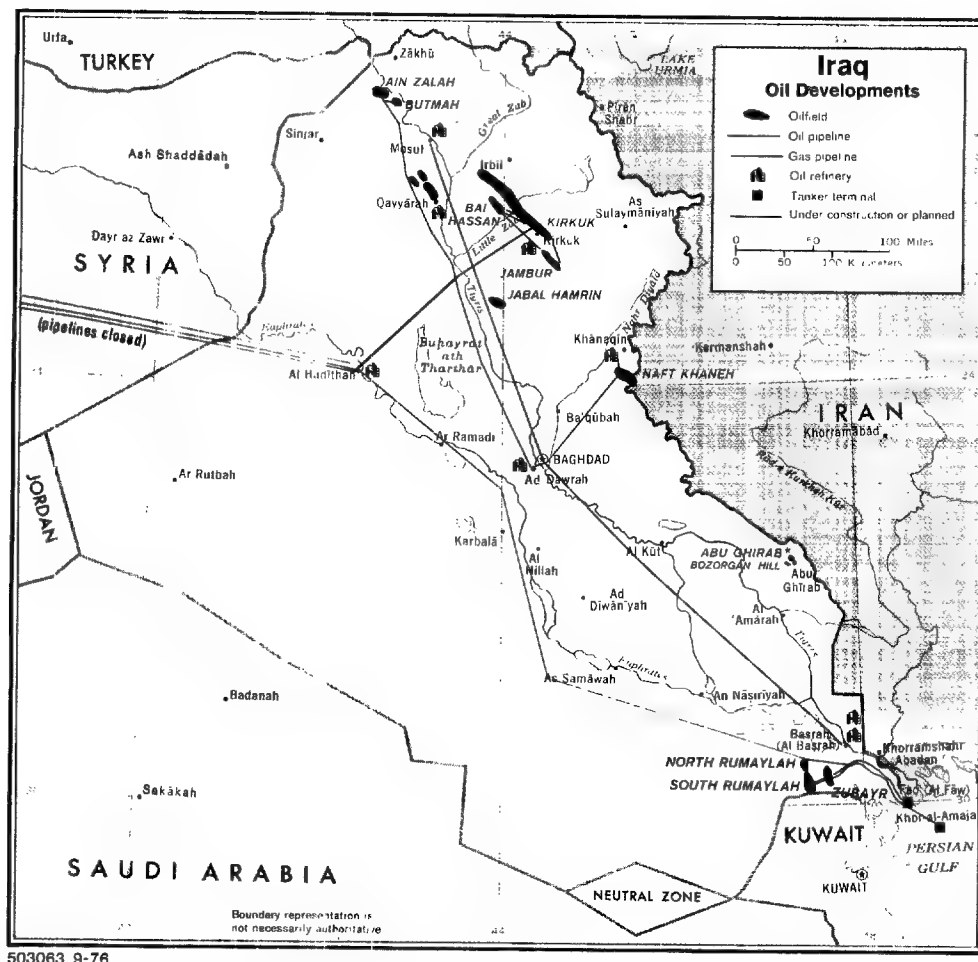
The projects outlined in the new development plan include highways, industrial plants, railroads, port facilities, new towns—all to be constructed as rapidly as possible. But the new plan is running into trouble. There have been delays in setting the specific amounts to be invested and in establishing priorities. Inflation plus uncertain oil prices could affect the ability of the government to fund its projects, although this is unlikely. Iraq has had to arrange several loans to cover expenditures and oil liftings have been adversely affected by the political breach with Syria. These factors, as well as inadequate transportation and communication facilities, will delay the implementation of Iraq's development projects. They are not, however, long-term obstacles.

2. Nationalization and Industry

Basic to Baath economic policies is government ownership and/or direct control of industrial and agricultural production. The government aims at nationalization of all basic industries, from oil, petro-chemicals, fertilizers, to food and textiles. Partial

* Republic of Iraq, Planning Board and Ministry of Planning, *The National Development Plan, 1970-1974* (Baghdad, 1971), pp. 90-91. The annual compound growth rate projected was 9.4 percent, the industrial sector annual rate 12 percent, construction 8 percent, agriculture 7.5 percent, electricity 20 percent, transport and communications 6 percent, trade 5.7 percent, services 8.3 percent, finance 10 percent, public administration and defense 8 percent, ownership of dwellings 2.5 percent. Oil revenues as percent of government revenue increased during this period.

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nationalization of industries less vital to the economy is also planned. At present, 50 percent of the industrial sector and 40 percent of the transportation sector are nationalized. Thus far, the government has been pragmatic in taking a gradual approach to industrial nationalization. The exception to this approach, and the example of the government's intentions, is the oil industry.

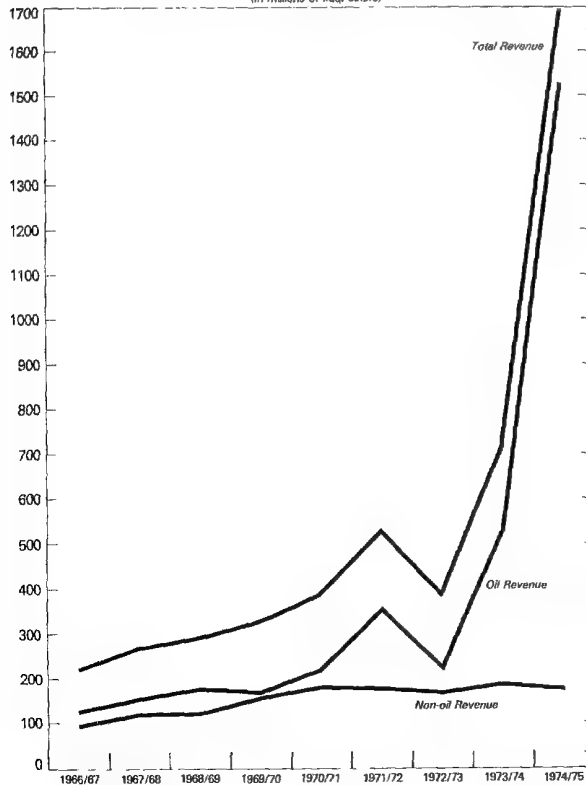
Iraq is the fifth largest producer of petroleum in the Middle East and among the 10 largest producers in the world. In the 1960s oil exploration and production declined, with Iraq's share of Middle East oil production dropping from 18 percent to 8 percent while other oil producers were expanding production. Oil exploration in Iraq had been the province of the Iraq Petroleum Company (IPC) and its affiliates, the Mosul Petroleum Company (MPC) and the Basra Petroleum Company (BPC). In 1961 the government

cancelled IPC concessions in nonproducing areas and the next year established the state-owned Iraq National Oil Company (INOC). Following a long period of negotiations with IPC, the Baath government announced nationalization of the company on 1 June 1972; the MPC was nationalized the following March. The process was completed in December 1975 when Iraq assumed the remaining foreign-held shares of the BPC.

Iraq's dependence on oil cannot be minimized. Before nationalization, in the period 1966-1973, oil provided 58 percent of all government revenues; in 1973-1974, one year after nationalization, oil provided 74 percent of the total revenues of the government and in 1974-1975, 89.9 percent. Petroleum exports in 1971 represented 25 percent of all export revenues; in 1972 this increased to 56 percent and in 1973, 85 percent. Oil revenues by 1974 had reached \$6.6

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Table 1

IRAQ
TRENDS IN GOVERNMENT REVENUE
(In millions of Iraqi dinars)

billion, five times the 1972 level; revenues for 1975 are estimated at \$8.2 billion.*

Nationalization has not had the dire impact the oil companies predicted in 1972. Lack of technicians skilled in managing and developing the oil industry independent of the oil companies was a major problem and accounted for a brief decline in oil production following nationalization. This is being solved, however, with improved vocational training, the expansion of secondary and higher education, and the return of skilled technicians from abroad. According to a World Bank study in 1974 the number of

* The Economist Intelligence Unit projected profits of \$5.4 billion for 1975. (*Quarterly Economic Review: Iraq*, No. 4-1975.) See also OER, Intelligence Memorandum, "Iraqi Oil Gives Wider Economic Options," ER IM 73-50, [redacted]

technically qualified staff employed by government and state enterprises has grown rapidly, with virtually all major oil fields and factories being run by Iraqi technicians. In 1972, on the eve of nationalization, Iraq's crude oil production averaged 1.5 million barrels per day (b/d). By March 1973, under Iraqi control, production had risen to two million b/d, of which 1.2 million b/d came from the Kirkuk fields. Nor has Iraq had trouble in marketing its oil. By mid-1973 Iraq's oil production through 1976 had been sold via long-term contracts to the Soviet Union, Great Britain, Italy, Brazil, Spain, India, Turkey, Austria and the US. The fact that Iraq is the only OPEC country to market the bulk of its oil directly has not hampered sales. Poor management and prices higher than the OPEC scale caused a temporary drop in early 1975. These lost markets were regained the following year by lowering prices below OPEC levels. In 1975 Iraq was the only OPEC member to show a sizeable gain in oil revenues (\$1.3 billion).*

Current oil policy in Iraq is based on several factors: the financial needs of the country for development purposes, the extent of oil reserves, and world market conditions. The aim of oil policy is to fund the industrialization and modernization of the country, to make Iraq economically self-sufficient and independent. Soviet aid in developing the North Rumaylah fields and in constructing port facilities at the head of the Persian Gulf have helped Iraq realize the goal of control of exploration and exploitation. Turkish assistance in construction of the 610-mile pipeline to Iskanderun on the Mediterranean and Italian aid in completing a 400-mile reversible-flow pipeline connecting Kirkuk and Rumaylah with the Gulf or the Mediterranean give Iraq the freedom to negotiate alternative oil export arrangements independent of the Syrian pipelines.

Iraq's policy of independence has not always been compatible with its allegiance to Arab unity or its membership in OPEC/OAPEC. While the Baath government urged use of the oil weapon in linking sales to support of the Arabs against Israel, it did not adhere to the cutbacks in production OAPEC ordered nor did it cooperate fully in the 1973 oil embargo. Instead, the government chose to sell or boycott

* Saudi Arabia and Kuwait boosted their production by "official" cuts in price, claiming to be in line with OPEC decisions. Iraq denounced these cuts but boosted its production by continuing its own more covert price cuts. "OPEC Countries: Current Account Trends, 1975-76."

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according to what it considered beneficial to Iraqi interests. Iraq will continue to seek larger oil revenues. It will do so in conjunction with OPEC and OAPEC where profitable but it is prepared, too, to take an independent line if necessary.

Baghdad may very well be "floating on a sea of oil" as the INOC chairman announced in February 1975. Iraq's proved and probable oil reserves are currently estimated at 35 billion barrels of crude oil; this is in comparison to Saudi Arabia at 170 billion barrels, Kuwait at 71 billion barrels and Iran at 64 billion barrels. Latest crude oil production capacity is 2.25 million b/d although 3 million b/d could be produced.* These estimates do not include the reserves that may lie under Baghdad itself. They do, however, indicate the long-range potential of Iraqi oil. If these estimates are correct and if Baghdad is sitting on one of the largest oil reserves in the Middle East, then Saddam Husayn's hope—"that one of the last two barrels produced in the world should be Iraqi"—may be fulfilled.

The oil industry will continue to receive top developmental priority and oil revenues will continue to provide more than sufficient revenues to fund new projects. However, the stated goal of the government is "self-sufficiency"; this implies not just control of the oil industry from exploration through marketing. It implies as well investment in the nonoil sectors of the economy—in textile factories, cement and chemical plants, agriculture and food processing—projects that could ultimately lessen, if not eliminate, dependence on either oil or foreign investment and assistance. And this is the real intention of "self-sufficiency."

3. The Other Side of the Economy: Agriculture

While the oil industry provides 80 percent of the state's GDP, it is agriculture which traditionally has occupied most of the people of Iraq, employing in 1974 over 55 percent of the labor force. Development here has been hampered by insufficient irrigation

* Estimated crude oil productive capacity: (million b/d)

	1975	1980
Iraq	3.0	6.0
Iran	6.8	8.2
Saudi Arabia	11.5	16.0

facilities, an inefficient marketing system, lack of transportation and storage facilities, shortages of spare parts for agricultural machinery and of raw materials, and a shortage of skilled technicians. Although one-fourth of Iraq's total land area—12 million hectares—is potentially cultivable, only 7.5 million hectares are actually cultivated.

Between the Agrarian Reform Law of 1958, which expropriated the holdings of feudal landowners, and the modification of that law in 1970, little was done in Iraq regarding agrarian reform or land tenure. The Baath would like to nationalize agriculture as it has the oil industry but so far it has had limited success. Under the 1970 law, membership in a cooperative was made compulsory for recipients of lands requisitioned and redistributed by the state. The intention of the government was to create cooperatives under collective management with the state providing capital and technological assistance to the peasants. By the early 1970s, the government had established more than a thousand agricultural cooperatives (Table 2). Their reasons for a nationalized agriculture are not only ideological; state-run cooperatives and experimental farms are being used now to introduce more efficient and productive agricultural methods. Although the concept of collectivized agriculture may not be gaining wide acceptance among a peasantry accustomed to share-cropping and tenant-farming, new techniques, improved seed and new planting methods are being taught by example. The response to the government's agrarian reform program remained slow,

Table 2

Number of Agricultural Cooperative Societies

Year	Number of Cooperatives	Number of Members	Total Area* of Cooperatives
1964	225	29,496	197,800
1965	298	39,244	238,700
1966	367	47,725	256,300
1967	410	54,750	282,900
1968	473	62,976	329,700
1969	608	76,171	361,200
1970	786	107,797	518,100
1971	831	126,968	676,600
1972	992	146,630	995,500
1973	1,275	201,490	1,345,400

*In hectares (1 hectare = 2.47 acres)

Source: Republic of Iraq, Ministry of Planning, *Annual Abstract of Statistics 1973* (Baghdad, n.d.), p. 132.

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although the government claimed by 1973 that 18 percent of the land cultivated had been "cooperativized."

In January 1974 Law Number 12 amended land redistribution procedures to permit lands sequestered under the Agrarian Reform Laws to be leased for cultivation by individual farmers as well as cooperatives. The amendment had two objectives: the rapid and legal redistribution of land to peasants already living illegally on the land, thereby giving security of tenure to peasants; and the reduction of migration from rural agricultural lands to urban centers by encouraging land holding.

In January 1975 the government announced a five year plan (1976-1980) for agricultural development to be funded by 3.1 billion dinar (\$10 billion) investment. The goal is to make Iraq self-sufficient in agricultural production, raise the standard of living for the peasant, expand the mechanization of agriculture, and adopt modern scientific methods "to achieve the revolution's ambitions to build a developed and prosperous socialist countryside."* In addition to projects for dam construction, irrigation, drainage and land reclamation, the development plan calls for covering the agrarian reform lands "100 percent" with agricultural cooperatives—450 new co-ops are to be established on these lands while 50 percent of the lands outside the agrarian reform area would be "cooperativized," i.e., 335 new co-ops planned. Cooperatives will receive two-thirds of all agricultural loans. Government planners envision the total and voluntary collectivization of agriculture within 15 years.

While the goal of a completely collectivized agricultural society may not be attainable for social reasons, the improvements projected in land reclamation and irrigation are feasible but are also dependent on available water supply—and this is dependent, in turn, on political relations with Syria. Neither Iraq, Syria nor Turkey have agreed on the amounts of water to be released for the dams on the Euphrates. Water from the Tabaqah Dam on the Euphrates in Syria could make Iraqi projects workable. It is not yet clear if the supply will be sufficient to meet both Syrian and Iraqi demands. In the past Syria has not been disposed to accommodate Iraqi needs.

* Speech by Hasan Fahmi Jumah, Minister of Agriculture and Agrarian Reform, in FBIS, 11 April 1974. Jumah has an earned American Ph.D. in agriculture.

Inherent in the agricultural five year plan, as in the industrial five year plan, is the attempt by the government to establish centralized, regional planning to ensure balanced growth in the agricultural integration with other Arab countries. To implement these policies the government has established controls on prices, marketing and distribution. Trained agriculturalists are being sent to the state-owned cooperatives and, recently, the government invited Egyptian peasants to settle in the southern provinces. The possibility of success of any state policy aimed at the establishment of collective farms and agricultural cooperatives is uncertain. It must be noted that land reform is not a panacea for Iraq's problems. What is crucial is that someone—the state being the most logical—has to supply the seed and fertilizer, repair the pumps, organize canal work, settle disputes among cultivators, run the irrigation system, provide qualified technicians and managers if there is to be a more productive and efficient agriculture and an increased standard of living for the peasant. One further comment must be made regarding agrarian reform. Much of the discussion in this section has emphasized the government's role in adapting efficient and viable reforms in agriculture. Acceptance of these changes by a traditionally conservative peasantry in a culture which has always regarded change as "sinful innovation," will compel the Baath to proceed cautiously.

B. Towards a Social Policy

Although "social" concerns were not a priority of the new regime in 1968, a social policy based on Baath prescriptions for economic and social justice is emerging gradually in Iraq. For a regime whose goals are unity and stability, some policy designed to gain popular support, to integrate the country's diverse ethnic and religious groups, to raise the standard of living and educate a population which is still 65 percent illiterate and heavily dependent on agriculture is essential.

Oil money has enabled the Baath government to implement programs for the economic and social transformation of Iraq—to build factories, farms, schools, to raise the average per capita income for Iraq's 11 million people to exceed \$900 (more than double the 1973 level). Recently, the wage rate for unskilled labor in the public sector was raised 18 percent and salary increases and special allowances were granted to government employees. In 1974-1975

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further measures were taken: the exemption level of personal income tax was increased from ID400 to ID600 and of property tax from ID300 to ID400; rates on taxable incomes were reduced as was the property tax. The defense tax introduced in 1967 was partially rescinded and cost-of-living allowances were increased for workers, civil servants and retirees. The dependents allowance was increased and the government decided to provide education at all levels and some medical services free of charge.

Here, again, we do not know the extent of the success or the acceptability of the government's proposals and programs by "the people." The government uses subsidies to maintain basic food prices, but there have been shortages of consumer goods and food staples and there are controls on both prices and profit margins in the private sector of the economy. There are no recent statistics available on crop production, general consumer demand, employment levels or prevailing wage rates. The IMF in 1974 estimated a total labor force of three million with a 7 percent (200,000) rate of unemployment and Iraqi Government figures appear to agree with this estimate. (See Table 3). However, these estimates may not allow for seasonal variation in the agricultural sector and little is known of the actual scale of industrial development and employment.

There are reports of a gap between the standard of living of workers and of officials of the Baath Party. That party members are accorded special "perqs" not available to the rest of society is axiomatic in a one-party system; but the extent of the perquisites—and the degree to which they are resented by non-Baathists—are again unknown. In the event of

political instability, this kind of economic inequality could encourage opposition to the party leadership.

The success of any social policy, be it to assure land tenure rights, to improve the standard of living of worker and peasant, to modernize society, does not depend solely on the will of the government. It depends, too, on the acceptance by the people of the goals and sacrifices necessary to attain the new society. Iraq is a state with one-party rule, directed economic planning and a socialist ideology; it is also a multi-ethnic and religious society with no real sense of shared traditions, common history, or national identity. Changes in the land tenure system meant to assure peasants their rights to the land are probably popular if not successful. Enlightened tax laws and wage incentives are also popular if not done at the expense of a group. However, certain other issues continue to confront the regime. How conservative and traditional have the Shiah of the south remained, how recalcitrant the Kurds of the north? Has government by the revolution become palatable to religious and ethnic minorities which historically have rejected *any* form of central government, be it Ottoman or Hashimite, monarchy or republic.

For example, there has long been much distrust of Sunni Arab leadership and great wariness of schemes for Arab nationalism and unity on the part of the more numerous Shiah. In 1920, 1936 and 1964 Shiah religious leaders "authorized" revolts or unrest against the regime in power. Yet the Shiah of Iraq today do not represent a unified movement nor even a focus of opposition to the Baath regime. Their capacity for political action is limited and even constrained by recent government ventures.

Several recent foreign policy moves have created a greater feeling of community between the Sunni rulers and the mass of the Shiah. The dispute with Syria over the allocation of water from the Euphrates River attracts the support of the many Shiah cultivators south of Baghdad who depend on the river for irrigation. The rapprochement with Iran, a Shiah state, is highly popular because it will enable Iranian pilgrims to visit the shrines in Najaf, Karbala, Samarra, and Kadhimayn, thus bringing both economic and spiritual benefits to Iraqi Shiah. Shiah from Iraq can now again visit the holy cities of Iran. (On his visit to Iran in 1975 Saddam Husayn made a special donation to the shrine at Mashhad.) Thus, Shiah opposition to Baath nationalism and fears of

Table 3

Sectoral Composition of Employment
(as percentage of labor force)

	1963	1966	1969	1972	1973
Total labor force	100.0	100.0	100.0	100.0	100.0
I. Employed	92.1	93.6	93.8	93.7	93.2
a. Agriculture	45.0	49.0	51.0	52.0	52.0
b. Industry	9.6	9.9	9.0	8.9	n.a.
c. Services	37.5	34.7	33.8	32.8	n.a.
2. Unemployed	7.9	6.4	6.2	6.3	6.8

Source: Republic of Iraq, Ministry of Planning, *Annual Abstract of Statistics 1972 and 1973*.

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religious persecution (60,000 Shiahhs were deported to Iran only months before the accord between Baghdad and Tehran) seem to be mollified.

Any plan for the modernization of Iraq has to deal with the shortage of skilled manpower. There are two approaches: reliance on foreign technicians and/or creation of an Iraqi manpower base. Iraq has offered incentives to trained Iraqis living abroad to return with no penalties. It has also asked Egypt to supply workers and technicians to aid in the implementation of development programs and to offset the acute shortage of skilled personnel. Iraq's labor law gives the same rights and duties as Iraqi citizens to Arabs residing in Iraq, Palestinians excepted.*

The second approach to developing "manpower" in Iraq brings the government to grips with the realities of a backward society in which attitudes towards literacy and the role of women can be changed only by massive effort. "Manpower" is a loaded term in a country with an extremely high illiteracy rate nationally (65 percent), a rate which is probably higher among women.** While the government has opened some positions to women and educational opportunities are more available, rural women are still victims of ignorance, superstition, poverty and illiteracy. None have reached the power of Adalah Khan, the Kurdish woman who was accorded the title of "khan" because she was the head of her tribe. Only a few women have attained senior positions, e.g., a woman was appointed to work with the National Front in 1974.***

Iraq is a young country—59 percent of its 11 million people are under 19 years of age. Investment in education and vocational training, then, must have a high priority if Iraq is to realize its goals of independence and self-sufficiency. The Baath govern-

* This is the practice of all Arab states "in order to protect the Palestinian identity." See Abd al-Qadir al-Hadithi, Minister of Labor and Social Affairs, in FBIS, 25 February 1975.

** An article on "Fertility Characteristics and Family Planning Knowledge, Attitudes, and Practices in Baghdad, Iraq" found that of the 1,095 women interviewed, two-thirds were illiterate even though 62 percent came from an urban background and 37 percent reported that their husbands were illiterate. There is no official government policy regarding family planning.

*** Dr. Nazihat Jawdat al-Dulaymi, a gynecologist and a member of the CPI, was appointed Minister of Municipalities and Minister of State in the Qasim government. She was the first woman in modern Iraq to be appointed to a Cabinet post. The Baath restored her citizenship in November 1968 and in July 1974 she was appointed to full-time work for the National Front.

ment has continued to support the boom in education which began in the 1960s. Since the 1968 revolution there has been a steady growth in both attendance and graduation figures.* Iraq had a "brain drain" problem, some Iraqis leaving for political reasons, others for better employment opportunities. The government is attempting to lure back its professionals from abroad and recently decided to offer positions in the public sector to all unemployed graduates of universities and institutions of higher education. The civil service already employs as much as one-half the urban working population in the country.

In accordance with its Baathist principles, the regime in Iraq is investing heavily in efforts to educate and modernize its population and to do so on a national scale, for women as well as men, for Shiahhs and Kurds as well as Sunnis. The government has the money and the economic incentive to push in this direction on a massive scale. Such policies have their political benefits; they can be used to attract youth, workers and peasants, intellectuals and potentially dissident tribesmen previously ignored by the system to the support of the Bakr-Saddam Husayn regime. But such a program inevitably creates some seeds of dissidence too. Better-educated, more prosperous groups are not unquestioningly loyal; they are likely to make new demands on the government and to feel little gratitude for their "benefactors." Groups currently enjoying the advantages of the system may not want to share them with the newly advantaged. However, these types of developments do not emerge overnight. The government in Baghdad is quick to perceive signs of trouble and will continue to resort to tactics of repression if it feels political dissidence threatens its stability and control.

IV. INTERNAL NECESSITY AND FOREIGN RELATIONS

In foreign policy, as in domestic politics, "Iraq First" is the basic priority of the Baath government. Again, it is not a new theme; in the five decades since independence it has been the goal of Nuri al-Said and Abd al-Karim Qasim, of Abd al-Salam Arif and, now of Bakr and Saddam Husayn. Before the 1958 revolution Nuri advocated cooperation with the West

* At the time of the 1968 revolution 285,000 students were enrolled in secondary schools and 37,300 in institutions of higher education; by 1973, the latest year for which statistics are available, 353,000 students were enrolled in secondary schools and 49,200 in higher education.

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and membership in the Baghdad Pact despite the growing unpopularity of such policies in the Arab world. Then 80 percent of Iraq's foreign trade imports came from Great Britain, Western Europe and the US; these same countries bought 59 percent of the country's exports.

Since the 1958 revolution the governments of Iraq have pursued several courses of action. Qasim and the brothers Arif chose nonalignment, establishing relations with Eastern Europe while maintaining relations with the West. Foreign trade statistics for the decade of the 1960s reveal an equal degree of trade East and West.* After 1968 the Baath shifted foreign policy to one of realignment, preferring to develop relations with the East and those considered ideologically sympathetic. Internally the shifts in foreign policy reflected Baath concentration on domestic politics, on the need to establish legitimacy and maintain control. Externally the shifts resulted in a deepening isolation from the West and the Arab world.

Beginning in 1974 a more flexible approach in the conduct of foreign relations, if not in the language of foreign policy could be discerned. The shift reflected Iraq's new oil wealth and the Baath government's new self-confidence. Now the government of Iraq is beginning to seek recognition and influence through ties with its Arab and non-Arab neighbors as well as with the West. Iraq under Bakr and Saddam Husayn is re-emerging as a participant in the affairs of the Arab world, the Gulf and the West. Instead of isolation, participation; instead of confrontation, cooperation.

Despite the changes in government and politics in Iraq in the past several decades, a continuum can be noted. Relations with the outside world are determined by internal necessity, by the need for political stability, economic development, military defense. Where Nuri relied on Western alliances to strengthen and maintain Iraq's independence, the Baath have depended on Soviet assistance for the same purpose.

A. Relations East . . .

Since 1959 the Soviet Union has supplied Iraq with military equipment and training, loans and techno-

* From 1960 through 1970 the average share of Iraq's exports to the US was 6.7 percent and to the Soviet Union 6.7 percent. Republic of Iraq, Ministry of Planning. *Statistical Pocketbook 1960-1970* (Baghdad 1972). pp. 156-157.

logical assistance. By 1963 Iraq was completely dependent on the Soviets for military equipment. Relations had cooled by 1968, however, and the Soviets greeted the Baath coup of that year with mixed emotions, remembering the 1963 repression of the CPI.

Rapprochement with the East began in 1969. Aid and trade agreements were signed with the Soviet Union, East Germany was recognized, and a series of high-level visits were begun—the most notable being Saddam Husayn's trip to Moscow in 1970 and 1972 and Kosygin's to Baghdad in 1972 (the first visit to Iraq by a high-ranking Soviet official). The Kosygin visit produced a major step in Soviet-Iraqi relations—the 15 year Treaty of Friendship and Cooperation. The treaty provides for political, economic, cultural and military cooperation with regular consultations to be held on international issues affecting mutual interests. A 1974 trip to Moscow by Saddam Husayn resulted in an agreement on cooperation in the development of nuclear energy for peaceful purposes. Other agreements for weapons, development credits, land reclamation projects, railway construction and industrial development have been signed with Czechoslovakia, Hungary and Poland.

Aid, trade and oil had created dependence by the mid-1970s. Soviet assistance in the development of the North Rumaylah oilfields and construction of the pipeline to Fao were to be repaid in Iraqi crude oil. The plants and goods supplied by Eastern Europe were repayable in crude. Iraq had become the principal foreign supplier of crude oil to the Soviet Union and Eastern Europe. Given Iraq's isolation from its Arab neighbors and doctrinaire treatment of Western imperialism, this was the only course open if defense and development needs were to be met.* Iraq also invested in the East—it is the only OPEC member to have a major portion of its foreign assets in Communist countries. A recent study estimated that 60 percent of Iraq's foreign exchange holdings of \$3,900 millions were deposited in Soviet, Hungarian, East German, Polish and Chinese banks with 40

* From 1959 to 1967 Soviet aid to Iraq totalled \$188.1 million. From 1968 through 1973 the amount of aid extended by the Soviet Union to Iraq equalled \$382.5 million. Of the latter sum, \$330 million was for oil exploration and development and \$22.5 million for agriculture.

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percent located in the West (including 5 percent in New York).*

Iraq thus has benefitted greatly from its relations with the Soviet Union. However, it should not be written off as a "client" state. The Soviet Union has modernized Iraq's military, providing up-to-date weapons and training and there are Soviet advisors present in the country. In addition, the Soviets built the port of Umm Qasr at the head of the Gulf and expanded al-Habbaniyah airfield. Yet they have not been permitted military use of either facility. And it is not likely that Iraq would permit extensive use of port and airfield facilities by the Soviets other than for aid and arms delivery. Arming Iraq may serve Soviet political purposes, but Iraq supports Soviet foreign policy goals only where they suit Iraq's policies and purposes. For example, for the Soviets Iraq becomes a link in an Asian "zone of peace," part of an encirclement of China and an entry to the Persian Gulf.** Clearly, this coincides with certain Iraqi strategic goals, including balancing a pro-American Iran; the Baath government talks of the Gulf and the Indian Ocean as a "zone of peace" to be free of great power domination, i.e., no new American bases. However, Iraq also advocates equal access to the Gulf by all powers, Iranian and Iraqi, Soviet and American. If this implies putting the US on an equal footing with the USSR, the Soviets may not be happy with Iraqi policy on Gulf security.

There are other areas of disagreement between the Soviet Union and Baathist Iraq. The Baath has not appreciated Moscow's professed sympathy for Barzani and Kurdish autonomy and has refused to increase the role of the CPI in a broadened National Front. Iraq has not approved UN Security Council resolutions 242 and 338 on the Arab-Israeli conflict nor does the government support the reconvening of the Geneva Conference, measures the Soviet Union has urged on the confrontation states. The Soviets, in turn, were not enthusiastic about the Algiers Accord and have failed in attempts to mediate the disputes between Iraq and Syria, both recipients of Soviet aid. A greater dissatisfaction in Soviet-Iraqi relations, however, is the

issue of financing future development and repayment for aid. The barter arrangements of the early 1970s no longer work to Iraq's advantage. The price the Soviet Union "pays" for Iraqi crude oil was set by agreements pre-dating the 1973-1974 oil crisis; at the same time the Soviets have been reselling Iraqi crude to Eastern and Western Europe for hard currency and at much higher prices. Clearly, Iraq would prefer a different arrangement, the direct sale of its oil to Europe and for hard currency as well.

Oil revenues have relieved Iraq of the need to depend economically on the Soviet Union as the only available source of military or financial assistance. In 1974-1975 Iraq spent as much for French and British military hardware as it spent on Soviet arms.* While this hardly constitutes a trend, the Baath would like to be more independent of the USSR. Relations, both economic and diplomatic, with Western Europe and the US could serve as the means the Baath will use to encourage and strengthen this independence. However, the government is not about to upset relations with the Soviets. In a visit to France in September 1975, Saddam Husayn noted that "the replacement of Soviet arms is not an objective of Iraqi policy, which is founded on the protection of national and Arab interests. Our international relations are determined by this principle." Relations between the Soviet Union and Iraq will continue to reflect both cooperation and contradiction. The Soviets in future will have less leverage on Baath political behavior or foreign relations. They will not come to any clearer understanding of the Syrian-Iraqi estrangement nor will they be able to orchestrate a solution there. It is the independence which Iraq insists on maintaining that will alternately warm and cool the relationship with the Soviet Union.

B. . . . and West

Saddam Husayn in an April 1974 speech:

. . . we do not have any sensitivity or complex against dealing with any company in the world providing that this is on a basis that would preserve our sovereignty and guarantee legitimate neutral benefit by domestic, national and international criteria.

* In 1974-1975, of a total \$1,468 million spent in arms orders, 43 percent (636 million) were in Soviet arms, 31 percent (\$462 million) to France, and 9 percent (\$128 million) to Great Britain.

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Iraq's foreign assets have increased from \$1,560 million in 1973 to \$3,855 million as of 30 June 1975.

** A decline in Soviet-Iraqi relations would produce only a symbolic improvement in Sino-Iraqi relations.

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Secure in its political control, confident of internal unity with the defeat of the Kurds, anxious for rapid economic development, Iraq has turned a tentative eye to the West. Interest in encouraging Western sources of trade, investment capital and technological expertise dates back to mid-1973 and coincides with the rapid rise in government revenues as well as with the Baath desire to end its international isolation and dependence on a single source of assistance. It has led to contacts and contracts with Western European and Japanese companies for projects ranging from natural gas liquification, chemical fertilizer and cement plants to agreements on the peaceful uses of atomic energy. The results can be measured both in terms of contracts awarded and the increased flow of trade and investment credits.

In recognition of France's "neutrality" in the 1973 Arab-Israeli war and her correct stance on the Palestinian issue, Saddam Husayn signed an agreement in September 1975 with the French Government pledging nuclear cooperation, oil and trade concessions. France pledged to build and equip a nuclear reactor and power plant and to train Iraqi technicians in its use and maintenance. Iraq in turn agreed to provide 15 percent of France's petroleum needs at preferential rates and to award 80 percent of its development projects to French companies. The terms of the agreement are a bit unrealistic and France has yet to implement its part. Moreover, considering France's past difficulties in completing its contracts and the reluctance of French companies to fulfill Iraqi requests, it is unlikely Iraq will award France 80 percent of its development contracts. In a similar exchange for oil, Japan modified its Arab-Israeli policy and extended credits to finance several major projects in Iraq. An agreement with Italy on atomic energy was concluded in January 1976 and contracts were awarded recently to Swiss and West German companies for subway construction.

Of the Arab countries which broke relations with the US in 1967, only Iraq has not resumed diplomatic relations. When questioned recently on the possibility of resuming relations with the US, Saddam Husayn responded, "This will happen when suitable conditions are created." When asked if he believed that such conditions were to be created in the near or distant future, the Deputy replied, "Such a question is not asked in politics." But the issue of reestablishing formal diplomatic recognition with the US is very

much a question of politics. On the ideological level, an anti-American stance is popular domestically, especially given Iraq's perception of America's ability to influence events in the Middle East through its relations with Israel. This logic extends not just to Israel. The Baath leadership also sees American collusion in Syria's intervention in the Lebanese civil war.

Yet the rhetoric of Arab liberation has not kept the Iraqis from buying US goods. The value of American exports to Iraq has increased from a 1965 level of \$20 million to a 1975 level of \$309.7 million (See Table 4).

Table 4

American-Iraqi Trade 1972-1975
(in \$ Million)

	1972	1973	1974	1975
Value of US Exports to Iraq	23.3	55.9	284.7	309.7
Value US Imports From Iraq	9	15.8	1	22.6

Source: Department of State, *Annual Economic Trends Report for Iraq*. UNCLASSIFIED, 18 March 1976.

Bakr and Saddam Husayn see some advantage in bettering relations with the US. The government is encouraging open bidding on contracts and would like American assistance in acquiring computer technology, military equipment and grain. Closer economic ties with the US could also be used to counter Soviet influence, but this is not a major element in determining either Iraqi-Soviet or Iraqi-American relations. The Baath are not eager, at this point, to re-establish official links with the US. As long as the absence of diplomatic recognition does not exclude Iraq from American commercial investment, there would seem to be little incentive to renew those ties.

C. Rethinking Arab Unity

Baath policy towards its Arab and non-Arab neighbors has shifted significantly since 1973. For the first several years of their rule, the Baathists in Iraq were more interested in subverting their neighbors than in cooperating with them. Iraq has sponsored Arab and Baluchi opposition to the Shah in Iran, tribal opposition to the Saudis and guerrilla activities

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in Kuwait, Oman, Yemen and Jordan. Iraq's deepest enmity, however, is reserved for the "impure" Baathists of Syria. It is a measure of their new sense of stability that the Iraqi Baathists now want to participate in Arab affairs. They seek recognition and prestige through policies which stress cooperation in Arab affairs and unity in alliances with the established states of the Middle East.

1. Relations with Syria

As early as 1920, before either was a recognized state, Syria and Iraq attempted to establish a political and economic union under the Hashimites—Faysal as King in Syria, his brother 'Abdullah King in Iraq. This dream of union persisted beyond the 1920s. Nuri al-Said advocated Arab union through the Arab League of the 1940s and through a hoped-for Hashimite federation in 1958 with the Kingdom of Jordan. As late as the 1960s the brothers Arif talked of a pan-Arab unity. In 1963 schemes for union came closest to realization when Baathist revolutions occurred in Syria and Iraq within one month of each other. Events since then however—the coups of 1966 and 1970 in Syria and intraparty purges—have brought to power in both countries Baathist regimes concerned more with maintaining their own ideological purity and subverting the other than with union.

Today the disputes with Syria range from water control to support for the Palestinian fedayeen in Lebanon. It is not the issues which are important so much as it is the dialogue in which they are cast. In the Euphrates Dam issue, Iraq accused Syria of withholding water for political purposes, thereby causing crop failure and ruin for Iraq's cultivators. Iraq is currently withholding oil from Syria while the two dispute the transit fees Syria charges and the price Syria pays for the high quality Iraqi crude. Syria has supported and encouraged the Kurds to rebel against the Iraqi Government.

The recent round of civil war in Lebanon has highlighted the rivalry between the Syrian-supported Saiqa and the Iraqi-supported Palestinian Rejection Front. The Iraqi Baath opposes Syrian intervention in Lebanon and Syrian attempts to impose a solution on the political crisis there. Iraq would prefer a coordinated rejection front of Algeria, Libya, Syria and Iraq; this would maintain an Iraqi presence in Lebanon and ostensibly limit Syrian action against Iraqi-backed fedayeen. Iraq continues to urge Syria and the

other confrontation states to join in a northern front against Israel. If Syria will reject Security Council resolutions 242 and 338, and renounce both the Golan peace-keeping force and the reconvening of the Geneva Conference, then Iraq will join with Syria in the establishment of a northern military front and send troops to the border. However, barring the outbreak of a new war with Israel, Syrian President Asad will not want Iraqi troops present in his country—troops which could support a coup or challenge Syrian control of fedayeen activities.

Underlying these issues, then, are deeper conflicts—the rivalry between Damascus and Baghdad, each claiming to be the legitimate center of the pan-Arab Baath organizational structure, and the rivalry between Hafiz al-Asad and Saddam Husayn, each seeking prestige in Arab affairs. Continued attempts by the BPI to subvert the "illegitimate" Syrian regime and to replace it with one congenial to Iraq cannot improve the situation. Nor can the fact that Iraq still shelters Syrian leaders ousted by the Damascus regime calm the situation.

2. Towards an Arab Policy?

Although relations with the Syrian Arab Republic would seem to belie the point, Arab unity has been a constant and recurrent theme in Iraqi politics and policy. In the early years of the regime, the Baathist concept of an Arab policy was to confront and oppose all forms of imperialism, Zionism and reaction wherever perceived while pledging support to all liberation movements. While not disavowing this interest, Iraq recently shifted its Arab policy to a more positive stance. Instead of pledging the usual "firm and comprehensive struggle" against the "agent reactionary" Arab states, the Baath leadership now believes

... that it is in the interests of the movement of unity and development and the Arab citizen in every part of the Arab world that ideological and political differences and disputes among Arab regimes should not obstruct, under any circumstances, the extension of the bridges of cooperation on a wider scale among all of these regimes and states.

From refusal to treat with the conservative Arab states, then, Iraq is looking now to establish normal, legitimate relations with Egypt, Saudi Arabia, Jordan

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and the Arab states on the Gulf. These shifts are reflected in Iraq's relations with Egypt and Jordan. In November 1974 Iraq and Egypt signed a protocol pledging economic and technical cooperation. While Syria was severely criticized for agreeing to a UNEF extension on the Golan, Egypt was not chastized by the Iraqi Government for Sinai II. Rather, Syria was accused of "letting Egypt run interference" for Damascus. Iraq noted the "objective circumstances" which produced for Cairo "a direct and frank and consequently complex" approach whereas Syria was guilty of "apostasy," of "hostility to Arab interests" and of "pretense" in pursuing a defeatist settlement. Egypt was offered oil, economic assistance, the settlement of Egyptian farmers on Iraqi land and a pledge of noninterference in its relations with the US.

What had been "reactionary, fascist, defeatist" Jordan in 1970 became "sisterly" Jordan in 1975. Jordan was now included in the invitation to join the northern front and given a \$23 million loan to finance construction of the port of Aqaba. Jordan's relations with Syria may make it suspect in Iraqi eyes but so far this has not affected Amman-Baghdad relations. What has been affected is Iraq's position towards the Palestinian fedayeen. There were indications prior to the latest round in the Lebanon civil war that Iraq was reconsidering its total support for the Rejection Front and its tactics. However, events in Lebanon have provided the catalyst for increasing Iraqi support and financial assistance to the pro-BPI fedayeen as well as to the PLO and Yasir Arafat where they are in opposition to Saiqa and other pro-Syrian elements. Iraq, as noted, would prefer a concerted Arab solution for Lebanon and a shift back to concentration on "the Zionist entity." In the event of a new Arab-Israeli war, Iraqi forces would be sent to the front but their effectiveness would depend on the extent and duration of hostilities. The longer the war, the more effective Iraqi participation would be, given the political and logistical problems involved in transporting soldiers and equipment.

Baathist Iraq then is evolving an Arab policy based on conciliation and unity in matters diplomatic and economic. Through this approach, Iraq hopes to end its isolation from the Arab world and to play a role in the politics of the Middle East. It is a careful and calculated policy in pursuit of prestige and legitimacy. Its success and any implications for the future must be measured in light of one other major area of potential Arab conflict—the Gulf.

3. A View of the Gulf

Iraq would like to apply its new reasonableness to establishing relations with the Gulf States and agreement on Gulf security arrangements. The policy is receiving its major test in relations with Iran. The Shah of Iran and the Baath leadership in Iraq view each other with mutual distrust and suspicion; relations have been marked by fears of military aggression, expansionism and the export of ideology. The disputes have varied from the territorial to the religious. Iran for years supported the Kurdish rebellions in Iraq while the Baath have encouraged resistance to the Shah. Both countries have large Shiah populations and both have restricted pilgrimages to shrines and centers of learning. Iran's occupation of several islands in the Gulf and her control of the Straits of Hormuz further heightened Baath fears for exporting its oil or its politics through the Gulf.

It is in this context that the Algiers Accord of 6 March 1975 must be placed. Certain aspects of the Accord have been noted already. The Shah and the Deputy agreed on the demarcation of land and maritime borders and on the restoration of security and mutual confidence by controlling the borders and ending all acts of subversion. In subsequent negotiations the land boundaries were determined according to 1914 treaties while navigation rights and boundaries of the Shatt al-Arab were settled to Iran's satisfaction, the thalweg line. The border settlements, as well as Iraq's concession of all claims to Arab Khuzistan, were in Iran's favor. But Iraq gained much in exchange; it gained a large measure of political stability as well as secure oil lanes through the Gulf. With the Accord, Iraq seems to recognize that Iran and Oman control the Straits through which tankers carrying Iraqi crude must pass. It is an admission that Iraq cannot militarily challenge Iran's presence in either the Gulf or Oman.

"Peaceful coexistence among the Arab States situated in the Arab Gulf" is the avowed policy of Baathist Iraq. Whether it will bring Iraq into conflict with the other Gulf States or into "sincere cooperation and solidarity" is not clear. Despite differences between the Saudis and the Iraqis, Saddam Husayn noted recently that "we are 100 percent with Saudi Arabia in every effort and in every stand it takes to preserve the Arabism of the Gulf and to protect the Gulf States." As part of its policy of Arab cooperation, Iraq and Saudi Arabia have agreed on demarcation of

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the Neutral Zone, construction of a road between Najaf and Medina (to facilitate pilgrimage traffic) and an end to anti-Saudi propaganda. Saudi Arabia, in turn, has loaned Iraq \$200 million and is sponsoring Iraq's inclusion in Arab organizations, e.g., the Arab Health Organization.

Cooperation and participation in Arab affairs are very much in style in Baghdad. In January 1976 Iraq joined with Bahrain, Kuwait, Saudi Arabia, Qatar and the UAE in establishing an Arab shipping company and signed an agreement to participate in the establishment of the Gulf International Bank and an Arab monetary fund.* Earlier, in November 1975, Iraq and Bahrain signed a three year trade and economic agreement calling for formation of a joint committee to implement trade agreements on agricultural and industrial products, raw materials, tourism, investment and manpower.

Iraq's new policies have not erased memories of past actions. The Baath do not have a pacific history in the Gulf region and several areas of conflict remain to be settled before their Arab policy can be realized. Iraq has long argued for the liberation of the Persian Gulf, and has supported guerrilla movements and political organizations in Kuwait, Oman, South Yemen and Bahrain. Both Saudi Arabia and Iran have been wary of Baath motives and continue to fear the spread of communism and revolutionary ideology by Baath-supported groups. Kuwait, the object of an "incursion" in 1973, became in 1975 "a fraternal and dear country . . . There will never be any problem of any sort between us and Kuwait and we will not ask Kuwait to do anything we would not ask ourselves to do." However, the dispute between Iraq and Kuwait over possession of the Bubiyan and Warbah Islands and control of the Kuwaiti right bank of Khawr Zubayr is not likely to be settled soon.

The larger issue, however, is that of Gulf security. Iraq has defined Gulf security in terms of freedom of navigation, a zone of peace, and Saddam Husayn has offered "to discuss the establishment of a joint defense plan with Saudi Arabia as well as a joint naval fleet

* Iraq is a member of four joint-venture companies established on the recommendation of the Arab Economic Unity Council: the Arab Investment Company headquartered in Riyadh, the Arab Company for Mining in Amman, the Arab Company for Livestock Resources in Damascus, and the Arab Company for Agriculture and Food Production in Cairo. Iraq is also a major contributor to the Arab Monetary Fund, set up in May 1976.

without jeopardizing Iran's rights in its territory. What matters most," he continues to emphasize, "is the Arab nature of the Gulf." Iran is promoting regional security in terms of defense pacts and control of any foreign vessels in the region. Would Iran preclude all non-Gulf, i.e., Soviet and American, ships from the Gulf while Iraq would allow both? The Shah has stated that "Iran is determined to become strong enough to defend the region all by itself, although obviously, we would prefer to cooperate with all the states in the region on an equal footing." Given Iran's ambitious naval program, and the suspicions it raises in both Iraq and Saudi Arabia, agreement on any Gulf security arrangement may not be possible.

For several reasons—stability at home, secure oil lanes, an end to isolation, a need for prestige in the Arab world—Iraq has made peace, at least temporarily, with the states on the Gulf. This does not mean that Iraq accepts the status quo in the region or that the Baath accept the "Persianization" of the Gulf from the Shatt al-Arab to the Straits of Hormuz. Iraq will continue to stress and support "every effort and every stand aimed at preserving the Arab nature of the Gulf." And Iraq will continue to pursue a policy of cooperation, of conciliation, of Arab unity as long as it benefits her. Relations between Imperial Iran and Republican Iraq could stalemate over these issues, however, and relations between Iraq and the other Arab states of the Gulf will remain tenuous at best. Until the BPI disavows support for Gulf radicals the Gulf States will not trust Baath motives or intentions.

V. IMPLICATIONS FOR US POLICY

Although Iraq and the US recently reaffirmed a 1938 treaty on commerce and navigation, prospects for the renewal of diplomatic relations between the two countries are not good for the near future. Current Iraqi policies hold few direct implications for US interests. Iraq does not require foreign financial assistance nor does it seek secure, long-range investments in foreign countries for its petro-dollars. The country does need help from the more technologically and scientifically advanced nations to implement development projects and training programs. The Baath government would like to obtain such assistance from the US and acquire as well computer technology, military hardware, communications equipment, and grain in a bad harvest year. Would diplomatic recognition make a substantive difference

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in US-Iraqi relations? Not really; lack of diplomatic recognition is not a barrier to aid and trade *per se*. Nor would recognition necessarily bring Iraq the items or the alterations in American policies it would like. Nonrecognition also allows the Iraqi Government to use its ideological rhetoric against any friend of Israel. However, Iraq will continue to probe the US to see what can be obtained without making any concessions of its own.

Despite the recent decrease in Soviet leverage in Iraq—the USSR is unable to influence either domestic politics or foreign policies toward Syria or Egypt—and despite the also recent increase in volume of trade with the US, Iraq will continue to depend on the USSR for the bulk of its arms supplies. Although the Baath government might like to limit its dependence on the USSR, a further decrease in Soviet leverage or influence on Iraq will not produce a corresponding increase or improvement in American-Iraqi relations. There is no reason to assume that Iraq will use its increased contacts with the West and the US to counter Soviet influence in the country.

If there are to be changes in US-Iraqi relations, then, other more indirect factors must be considered.

—Iraq views the Gulf as a “zone of peace,” implying opposition to any militarization of the region and to the establishment of any foreign military bases. This could mean recognition of both an American and Soviet presence in the Gulf for peaceful and commercial purposes. It does mean opposition to any American military presence, and means, by extension, opposition to American military presence in the Indian Ocean.

—If the US were to assist Iran in establishing a nuclear capability or in any further build-up of Iran's Gulf fleet, this would impair US-Iraqi relations because of the heightened fears of Iranian and American intentions in the region.

—If Iraq's current policy of cooperation in Arab economic affairs and of establishing routine and legitimate relations with other Arab states succeeds, then Iraq may look more favorably on establishing broad ties with the US, especially in regard to trade,

development and other areas of mutual interest which it would then be willing to define.

—If snags develop in discussions between Iraq and Saudi Arabia, Egypt or Jordan, then Iraq might not look as favorably at the US but would, once again, question its motives and intentions.

—In Iraq's view, the US exerts great influence on Israeli actions. If the US were to alter its position regarding Israeli-Palestinian affairs, pressure Israel to withdraw from occupied territories and recognize the PLO (but not the pro-Syrian Saiqa), then Iraq might confer diplomatic recognition as a reward. The problem here is two-fold: first, Iraq has not so much spelled out its terms for an acceptable Palestine solution short of total war as it has spelled out what Syria must do to win the war and Iraqi cooperation. Second, Iraq claims that the US is in collusion with Syria in the Lebanese civil war in order to effect a pro-Syrian—and hence anti-Iraqi—settlement. The question is whether this, too, is propaganda for public consumption in the ideological war with Syria or a genuine article of faith.

—Before the current phase of the Lebanese war, there were indications that Iraq was toning down its support for the radical fedayeen and for Arab terrorists. Iraq is seeking prestige, respectability, influence, especially among the nonaligned nations. If the Lebanese-Syrian conflict could be subtracted from the equation, then a more subdued Iraqi policy regarding terrorism and the fedayeen might be possible and consequently might provide a further base to touch with the US.

There is little likelihood of change in US-Iraqi relations, given the current regime's perception of US policies and given American support for its allies in the region—Saudi Arabia, Iran, Israel. In sum, Iraq remains outside the periphery of American interests in the Middle East. The prevailing Iraqi attitude towards the US—cool, slightly suspicious but not overtly hostile—is perhaps the best that can be expected, again given the fundamental divergence of interest. So long as Iraq finds it advantageous to bar Soviet military use of its facilities and to seek stability in the Gulf, it contributes, albeit inadvertently, to overall US goals in the Middle East.

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